

Analysis Factor of Motivation that Influence Drivers Who Using UBER Application in UBER, Bandung

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Abstract. The study attempted to identify factors affecting and assess the level of motivation of drivers working using Uber Application in Uber Bandung. Motivation plays an important role in work environment. The purpose of this study is to discover what factors of motivation that contribute most to the drivers who use Uber application in Uber Bandung, intrinsically and extrinsically. This method of research is quantitative descriptive with using factor analysis. The total population in this research is 875 respondents and use purposive sampling technique to determine the sample amounted 150 respondents. For the validity test, all of the item are considered valid since $r\text{-count} > r\text{-table}$. The variables which is extrinsic and intrinsic motivation are considered reliable since the value of cronbach alpha are 0.753 and 0.752. Examination of hypothesis is done by processing data that obtained from the questionnaire using the KMO, Bartlett's Tests and Factor Rotation. This tests functions to test the feasibility of a variable, and the results of the correlation between variables will be seen by considering the MSA and test the reliability using Cronbach Alpha analysis, then interprets the communality value of each variable using Principal Component Analysis. The KMO value is equal to 0.878 with Chi-square is 1227.983550 ($df= 36$) and $\text{sig}= 0.000 < 0.05$. The result show that the personal life factor has the biggest component matrix value of 0.919 and the lowest component matrix value is the salary and wages factor amounted 0.583. Finally, the study concluded that the drivers who using Uber application in Bandung are adequately motivated, though a significant difference of level of motivation was noticed among gender, different age groups, and length of employment comparison.

Keywords. Motivation; Intrinsic Motivation; Extrinsic Motivation; Factor Analysis; Two-Factor Herzberg Theory.

I. INTRODUCTION

According to ShaemiBarzoki, *et al.* (2012), human force is considered the most valuable asset of an organization and different factors affect its performance and efficiency. In today's world of non-stop change, in which organizations are competing with all their capabilities, a big portion of organization's energy is put into the attention given to staff. Relying on their human force inside the organization, today's organizations can improve their activities as much as possible. Motivation is one of the most important factors affecting human behavior. Motivation not only affects other cognitive factors like perception and learning but also affects the total performance of an individual in organisational setting. Kempner (1971) and Everaert (1997) in Velnampy (2007) stated that the importance of the training and development programmes in order to motivate employees to cultivate higher performance from them. Uber is an American international transportation network company headquartered in San Francisco, California, United States of America. It develops, markets and operates the Uber mobile app, which allows consumers to submit a trip request which is then routed to sharing economy drivers. The case study that author choose is Uber Technologies Inc. located in Bandung. Uber was available in 60 countries and 300 cities worldwide and according to Loras (2015), 20 percent of it are come from APAC (Asia Pacific) countries.

Uber is basically a technology company that run the business in transportation sector. The core business of Uber is providing the transport service that implemented in sourcing car rental and tour as well as independent people that want to drive with Uber application platform. Then, Uber add the words "partners" that means Uber do not employ drivers and do

not invest in cars. The Uber driver is actually the driver from its car rental companies. Uber do partnering with its partners in terms of providing service applications for Uber side and cars supply for partner side. This paper will basically find out why people want to join with Uber. What factors of motivation that lead them to choose Uber as their partners in gain more earnings and be one of their occupation.

Rating System

According to Cook (2015), Uber introduce two-way rating system in 2010. The goal of the two-way ratings system is to incentivize excellence on both sides of the supply and demand equation. Uber uses driver ratings system to create an average rating for each driver. It means both of drivers and riders can rate the service quality and personality each other. And if a driver's rating slips below a certain amount, they're booted off Uber, attending re-training to share what goes wrong and explain more in detail how to get good rating from riders, or left to either try other ridesharing services or change their job. Rating is highly crucial for the drivers' career in Uber. Each cities set the different minimum ratings for its drivers. In Bandung, Uber team set the minimum rating for drivers is 4.2 (Uber Bandung, 2015). If a driver's rating slips below it, Uber Bandung team will call the particular drivers to office to do re-training. The average of drivers' rating in Uber San Francisco is 4.8. So, the minimum rating that drivers need to survive is in 4.6 star. While the average rating of drivers in Uber Bandung is 4.6 star. Uber Bandung (2015) stated that they set the minimum rating of their drivers is in 4.2 star. The most frequent complaints that Uber riders have each week are:

- a. Bad route or city knowledge
- b. Poor attitude or disrespecting rider
- c. Poor driving
- d. Car quality
- e. On phone during trip

II. LITERATURE REVIEW

Organizational Behavior

Ivancevich, *et al.* (2005: 4-10) explain organizational behaviour is the study of human behaviour, attitudes, and performance within an organizational setting; drawing on theory, methods, and principles from such disciplines as psychology, sociology and cultural anthropology to learn about individual perceptions, values, learning capacities and actions while working in groups within the total organizations; analyzing the external environment's effect on the organization and its human resources, missions, objectives, and strategies. In the end, the key to managing people in ways that lead to profits, productivity, innovation, and real organizational learning ultimately lies in the manager's perspective.

Motivation

According to Porter, *et al.* (2003:1), the term "motivation" was originally derived from the Latin word *movere*, which means "to move". What is needed is a description that sufficiently covers the various components and processes associated with how human behaviour is activated. Motivation theorists have stated important preassumptions that without taking them into account, recognizing the theories of motivation and the importance of these phenomena are impossible; this is because all motivation theories were developed based on these preassumptions. In addition, Lai (2011) stated motivation involves a constellation of beliefs, perceptions, values, interests, and actions that are all closely related. As a result, various approaches to motivation can focus on cognitive behaviors (such as monitoring and strategy use), non-cognitive aspects (such as perceptions, beliefs, and attitudes), or both. In conclusion, motivation can be defined as a driving force within a person

which stimulates the individual to do something up to the target level in order to fulfill some need or expectation and also involves a constellation of beliefs, perceptions, values, interests, and actions that are all closely related.

Herzberg's Two-factor Theory

Ryan and Deci (2000) define extrinsic motivation is a construct that pertains whenever an activity is done in order to attain some separable outcome. Extrinsic motivation thus contrasts with intrinsic motivation, which refers to doing an activity simply for the enjoyment of the activity itself, rather than its instrumental value. Extrinsic motivation comes from outside of the performer. These conditions are the dissatisfiers or hygiene factors or extrinsic factors, they include:

1. Salary
2. Job security
3. Working conditions
4. Status
5. Company procedures
6. Quality of technical supervision
7. Quality of interpersonal relations among peers, with superiors, and with subordinates.

Second, a set of intrinsic condition – the job content – when present in the job, builds strong levels of motivation that can result in good job performance.

Ryan and Deci (2000) explain intrinsic motivation is defined as the doing of an activity for its inherent satisfactions rather than for some separable consequence. When intrinsically motivated a person is moved to act for the fun or challenge entailed rather than because of external prods, pressures, or rewards. From birth onward, humans, in their healthiest states, are active, inquisitive, curious, and playful creatures, displaying a ubiquitous readiness to learn and explore, and they do not require extraneous incentives to do so. The factors in this set are called satisfiers or intrinsic motivators and include:

1. Achievement
2. Recognition
3. Responsibility
4. Advancement
5. The work itself
6. The possibility of growth

Motivating Factors

According to Hossain, *et al.* (2012), Human beings are motivated by satisfying their different kind of needs. Needs depend on many factors and vary by the person, situation, organization, nature of works, risk, educational background of employees, experiences and skills, position of work, etc. All employees, therefore, have their own motivational factors to motivate them to perform their bests. In this study, Hossain, *et al.* (2012), ShaemiBarzoki, *et al.* (2012) suggest the motivation factors that have been categorized, influence of factors on motivation, and strategies to motivating workers.

Work itself and Environment

According to Maslow's Hierarchy of needs theory, safety and security needs come after fulfilling biological and physiological needs. Appropriate job security assurance, challenging work, work that yields a sense of personal accomplishment, increased responsibility are factors cause motivation. An appropriate environment should be provided in the workplace. These indexes can be mentioned in providing an appropriate workplace:

- a. Low level of human emissions such as noise, dust, etc.
- b. Safe working environment.
- c. Absence of potential context for any workplace accidents.
- d. Appropriacy and regularity of work tools.

Supervisor Relations

Good relationship between supervisor and the worker is a convincing issue which causes work satisfaction. Employee's bad feelings to their immediate authority do impact on their job performance which leads to dissatisfaction and lack of motivation.

Relation(s) with Peers

According to ShaemiBarzoki, *et al.* (2012), relations help to ensure the attainment of beliefs, attitudes and shared values. Developing a shared understanding of the organization's goals also creates unity and solidarity between different groups.

Organizational Policies

According to ShaemiBarzoki, *et al.* (2012), policies are the same constant guidelines about the kind of approach that the organization plans to apply for its human resources. These policies actually define philosophies and values about how to deal with human resources. Thus, organizational policies as reference points are served to develop the process of making decisions about human resources and designing employment related actions (Armstrong, 2009 in ShaemiBarzoki, *et al.*, 2012). Company policy and administration is considered to be hygienic factors (extrinsic factors), which have a disrupting effect on employees work attitude and make them ultimately dissatisfied in their jobs when these needs are not adequately met (ShaemiBarzoki, *et al.*, 2012). Thus, organizational policies can be stated as general manifests of organization's values.

Job Security

According to ShaemiBarzoki, *et al.* (2012), when talked about job security, everyone imagines that individuals should enjoy formal and stable employment to let their job security be ensured, while this definition suffers from the inadequacy that the staff's thoughts about progress and development will gradually recede. What is meant by job security is to provide a situation for the individual to be reinforced, so that the organization becomes dependent upon the person's expertise and capabilities, and his expertise and capabilities are also required outside organization.

Recognition

According to Hossain, *et al.* (2012), appreciation is one of the most top desires of employees which motivate and keep them productive by enhancing the employee's morale, which allows them to think better of themselves and their ability to contribute towards organization goals. Employees with high self-esteem are more intrinsically motivated, optimistic, willing to work harder, participative at work, work efficiently, have lower absenteeism rate and are generally more satisfied with their jobs.

Development and Growth

Skills development, training, growth opportunities and promotion are considered to be powerful motivation factors for employees to satisfy their need for esteem and self-actualization. This also supported by Akanbi (2011) stated that No matter how automated an organization may be, high productivity depends on the level of motivation and the effectiveness of the workforce. Staff training is an indispensable strategy for motivating workers.

Salary and Wages

According to Hossain, *et al.* (2012), money is considered to be a panacea used to have solved to the most problems. Money, therefore, is the most motivating factor to all. It is a part of the total incentive package of an organization. Salary is thought to be one of the key factors influencing career choices. Good incentives, therefore, should provide with the aim of attracting and retaining qualified people and motivating them to achieve goals of the organization. ShaemiBarzoki, *et al.* (2012) explain that the main reason human involves himself in economic activities is to earn money and satisfy his physiological needs and support his family. Naturally, everyone needs food, clothing, shelter and other basic requirements; these requirements in today's societies are often supplied by paying the price for that. If staff's salary payments do not follow a fixed principle and they are not paid within a certain time, this will disturb their peace and their relation with the job will break off (ShaemiBarzoki, *et al.*, 2012).

Personal Life

According to ShaemiBarzoki, *et al.* (2012), having various problems in their personal life, trying to make a balance between personal life and the job they have chosen for their livelihood, reaching an agreement with family about the person's job, and the person's marital status. In everyone's life, there are three main areas that the person should be able to handle them simultaneously and prefer none to the other; these are job, family and personal matters. The main issue about it is that there isn't always enough time and opportunity available to coordinate all the three areas. If employees can dominate at least the two main areas of their lives, it can be said that they enjoy an acceptable life situation.

III. THEORETICAL FRAMEWORK

Research Questions

The purpose of this study is to identify critical factors underlying the work motivation of drivers who using Uber application especially in Bandung. Specific research questions are:

- What are the motivation factors of drivers chose to work as Uber drivers and use Uber application in Uber Bandung?
- What are the most dominant factors that affect the willingness of the drivers in use Uber application to exert more effort in the job and better quality of service?

Research Objectives

Prime objective of the study is to identify the motivational factors of applied drivers who using Uber application in Uber Bandung and sub-objectives are:

- To find out what factors of motivation that dominantly influence the drivers chose to work as Uber drivers and use Uber application in Bandung.
- To find out the factors of motivation that contribute most to drivers who using Uber application in Bandung.

Research Framework

This research will be conducted in quantitative approach with descriptive analysis. Data analysis technique used is factor analysis. Factor analysis is an analytical technique used to provide an understanding of the underlying dimension and the usefulness of this technique is to reduce the number of data in order to identify factors that could explain variance that being

studied more clearly in a group of variables that have greater amount. Factor analysis is useful to know which factors that more dominant from several variables that will be selected and also distinguish variable priorities that ranked based on the results of analysis. To summarize the factor of motivation and in order to make it easier for readers in understanding this study, it can be seen in the following framework:

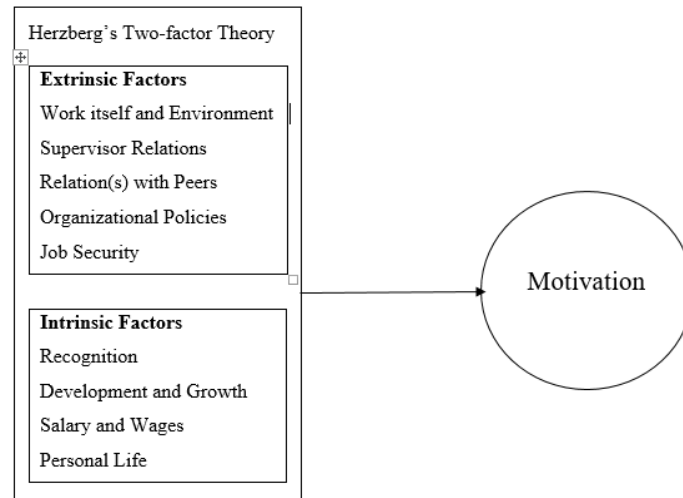


Fig. 1. Theoretical Framework

IV. RESEARCH RESULT AND DISCUSSION

Characteristic of Respondents

Characteristics of respondents based on the distribution of gender, 134 respondents (89.33%) were male and 16 respondents (10.67%) were women that come from the total of 150 respondents. Based on distribution of age, 84 respondents (56%) aged between 18-33 years and 66 respondents (44%) aged between 34-49 years. And based on how long they already join as an Uber drivers, 20 respondents (13.33%) have joined in less than one month, 68 respondents (45.33%) have joined in a period of 1- 3 months, 41 respondents (27.33%) have joined in a period 91 of 4-6 months, and 21 respondents (14%) have joined in a period of more than six months.

Result of KMO and Barlett's Test of Sphrecity

Table 1. Result of kmo and barlett's test of sphrecity

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.878
Bartlett's Test of Sphericity	Approx. Chi-Square	1227.983
	Df	36
	Sig.	.000

Based on Bartlett's Test of Sphrecity with Chi-Square 1227.983550 (df = 36) and sig = 0.000 < 0.05 indicates that the correlation matrix is not an identity matrix so it can be go to do principal component analysis. Other statistical tools is KMO (Kasier-Mayer-Olkin) for

explore the adequacy of sampling. This is an index used to examine the appropriateness of factor analysis. In this study, the KMO value generated is equal to 0.878 and p-value of 0.000 (<0.05). If the MSA > 0.5 , the variable is still unpredictable but can be analyzed further thus factor analysis is appropriate (Malhotra, 2010:640). Therefore, the variables can be analyzed further.

Result of Communalities

Table 2. Result of communalities

	Initial	Extraction
Zscore(Workselfandenvironment)	1.000	.638
Zscore(Supervisorrelations)	1.000	.768
Zscore(Relationwithpeers)	1.000	.645
Zscore(Organizationalpolicies)	1.000	.651
Zscore(Jobsecurity)	1.000	.790
Zscore(Recognitions)	1.000	.745
Zscore(Developmentandgrowth)	1.000	.768
Zscore(Salaryandwages)	1.000	.640
Zscore(Personallife)	1.000	.844

Extraction Method: Principal Component Analysis.

From the whole values in the Table 2, found that nine initial variable has a large value of communalities (> 0.5). This may imply that the whole of the variables used have a strong relationship with the form factor. In other words, the greater the value of communalities then it will better the factor analysis is, because it will greater the origin variable characteristics which may be represented by formed factors. The closeness of the correlation between the factor of personal life against factors formed is huge and formed with the amount of 0.844 which is means that the relationship between factor of personal life against the formed factors is close. It can be also said that the contributions of original variable against formed factors is 84.4%.

Result of Variance Explained

Table 3. Result of variance explained

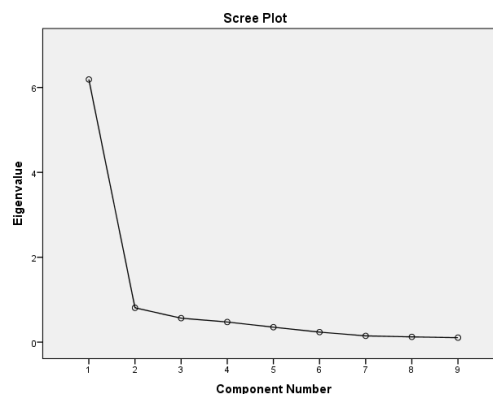
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.190	68.773	68.773	6.190	68.773	68.773
2	.809	8.989	77.762			
3	.564	6.271	84.033			
4	.474	5.266	89.298			
5	.352	3.911	93.209			
6	.235	2.614	95.823			
7	.147	1.639	97.462			
8	.123	1.371	98.833			
9	.105	1.167	100.000			

Extraction Method: Principal Component Analysis.

Factor 1 has *eigenvalue* equal to 6.190. To determine how the components or factors used in order to explain the total diversity, it can be seen from the total value of *eigenvalue*. Components with *eigenvalues* > 1 are the components used. Column 'cumulative%' shows the cumulative percentage of variance explained by the factors. The amount of diversity that is able to be explained by factors 1 equal to 68.773 percent. The first factor is able to explain the total diversity by 68.773 percent. On the basis of three factors that have *eigenvalues* more than 1 and the cumulative percentage of three factors equal to 68.773 percent, it can be concluded that the first factor is sufficient to represent the diversity of origin variables.

Result of Scree Plot

Table 4. Scree plot



The time of the components formed, still shows the steepness of the curve, beyond Point 1, the curves have started to ramps, more to the right will be more ramps.

Result of Component Matrix

TABLE 5. RESULT OF COMPONENT MATRIX

	Component
	1
Zscore(Workselfandenvironment)	.799
Zscore(Supervisorrelations)	.877
Zscore(Relationwithpeers)	.803
Zscore(Organizationalpolicies)	.807
Zscore(Jobsecurity)	.889
Zscore(Recognitions)	.863
Zscore(Developmentandgrowth)	.877
Zscore(Salaryandwages)	.583
Zscore(Personallife)	.919

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Table 5 shows how much correlation of each variable in formed factor. The values of the correlation coefficient between variable of factors formed (loading factor) can be seen in the Table 5. The first factor generate loading factors matrix that the values are the correlation coefficient between the variables with these factors. When viewed variables that correlates to each factor, it turns to loading factor that is not yet able to give the sense, as expected. So,

judging from the factors that has the most influential factor or has the strongest correlation with the first factor is personal life, while very low impact factor is salary and wages.

V. CONCLUSION AND FURTHER RESEARCH SUGGESTION

Conclusion

The study attempted to identify dominant factors and indicators that affect the drivers' motivation who using Uber application in Bandung and assess their motivation level. Results suggest that there are nine factors and 53 items choose to work using Uber application in Bandung and what the most dominant factors that motivate them that can be concluded as follows:

- The research reveals that non-financial factors have a significantly higher impact on the drivers' motivation than the financial factors such as salary and wages which substantiate the result in relation to reasons choose to work using Uber application in Bandung. This indicates that Uber Bandung and rental companies needs to focus on non-financial factors along with financial factors to ensure that its workforce is effectively engaged and consequently motivated. The drivers who using Uber application in Bandung are more motivated by factors relating to the personal life. This means that rental companies that partnering with Uber Bandung needs to create a good worklife balance environment and drivers receive recognition and feel valued.
- And the most important motivation factors of drivers is personal life with the value of component matrix is equal to 0.919 that means personal life factor has the most influential factor or has the strongest correlation with the first factor. Personal life has five indicator and all of them have high level of score total percentage. But, looking for the whole indicator in this research, the highest score total percentage is the indicator "feeling accepted in group". This means the brotherhood between drivers is so high so rental companies along with Uber must maintain it in order to strengthen the motivation of the drivers.

Further Research Suggestion

- Researchers suggested for further research to be able to use another analysis technique, such as path analysis technique or correlation analysis to examine the relationship between further proposed variables by taking into account the variables are correlated. And reasons such as more detailed analysis of the results using path analysis to make the strongest reason to apply it in future studies.
- This study used a descriptive approach, for further research to develop by using analytical research approach to determine the causal relationship between the variables observationally.
- Given the sample in this study there were 150 respondents considering the average drivers who using Uber application on the daily basis. For further research is expected to multiply samples because the growth of total drivers that online everyday is increasing day by day so researchers can then use the cluster technique, where the technique is often used in research in the field that vast territory. This technique can save the cost and effort in meeting the respondents who becomes the object of research. Specifically, to enhance the prospect of generalizing the findings of the current study, it is necessary to expand the scope in terms of the sample size and the selection strategy. It is therefore suggested that the study be replicated by using a much larger sample selected more broadly from all

cities that Uber exists in Indonesia, it will much better if the further researcher can expand the scope until the all cities in South-east Asia.

- Being a survey research, further study is most likely to provoke some other studies as a follow up in a bid to establish the likely effect of motivation on performance.
- The results further suggested that the motivation among a person chose to work as Uber drivers in Bandung can significantly influence their performance. We can say that if top management, Uber itself or the rental companies, put their focus upon motivation of each drivers then it will lead toward a positive increase in drivers's performance.
- The results of study shows that mostly drivers in Bandung are Sundanese and the culture of Bandung itself are togetherness, friendly, and strong relationship with each other. So, the rental companies along with Uber should sometimes gather all of them together to do some introduction to each other so the feeling of accepted is maintained even increased.
- Rental companies must be caring their drivers individually so the driver will feel special so it can increase their motivation as well as productivity and performance. Besides that, Uber along with rental companies should be more free their time to hear the drivers' comments and complains so the drivers know more how to be an Uber drivers and more motivated.
- The study shows that most of the drivers who using Uber application in Bandung are unhappy with the salary and benefits they get. In order to increase their motivation in picking up more riders or passengers, Uber must formulate new and effective payment plan so it can advantage both of Uber side and partner side. Partner or rental companies also must communicate in honest and transparent regarding payment incentive and plan to drivers so drivers can do more effort to gain more income. Uber may apply new incentive plan like increase the fares of the ride or some multiplier from the base fare. So, drivers will be more motivated because the harder they try to get a passenger to ride, the bigger income will be.
- Uber may provide every drivers who using Uber application in Bandung an insurance to cover their daily life, family, and future.
- Uber and rental companies should formulate some promotion policy so it can motivate the drivers. For example like if the particular drivers get the best rating or the highest fares each week, they can switch their cars to more fancy cars, or something else.

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