Abstract

Business was always faced with competition and changing. Competitive advantage was the key to success in responding to the challenges in doing business in order to survive and become in the foremost. The recent study mentioned that the competitive advantage in long-term oriented cannot be applied to tight competition conditions and rapid change. This study aimed at identifying the readiness and awareness of the company to face Transient Competitive Advantages (TCA). This study was conducted at PT. Telkomsel as the market leader in the Indonesia Telecommunication Industry. This study uses a qualitative study using Analytical Hierarchy Process (AHP) as a data analysis technique. This study used expert choice software to analyze the opinion from the experts and professionals through the variables of themes,
arenas, customer experience, and systemic innovation. Telkomsel was dominant in a transient alternative condition rather than extending alternative condition so that it can be concluded that this business unit had been ready and aware as a company with transient advantage.

Keywords: Transient competitive advantage, themes, arenas, customer experience, systemic innovation

INTRODUCTION

Competition is one of the keywords that are most often associated with a word that is a business. Five Forces theory proposed by Michael E. Porter mentions the competition as one of the indicators that implied in any forces, especially in the rivalry among competitors. In the business world, the competition is absolutely exist and must be addressed by every company. In an attractive business conditions, every company should have competitive advantages to be able to survive in an industry.

The concept of competitive advantages was first proposed by Michael E Porter (1980) about the concept of decision-making in long-term and customers oriented include differentiation, cost leadership, and focus. Quickly changing of consumers’ needs and desires drives the changing in the business and industry. The statement of Michael E. Porter that can be applied in these circumstances is a customer-oriented, but not long-term oriented. That assumption generates a new perspective called Transient Competitive Advantages (TCA). TCA theory is introduced by Rita Gunther McGrath in 2013 and is not well understood in Indonesia as a developing country, in which the studies on the TCA is still fairly few.

The competition of Indonesian telecommunications industry becomes increasingly fierce with the existence of the deregulation of government regulations in 1999, namely the elimination of telecommunication operation monopoly that have an impact on competition is becoming increasingly fierce. PT Telkom, which then serves as a company to monopolize an industry, have to share the cake with newcomers.

The market leader in an industry should ideally have competitive advantages, more specifically we call TCA to be able to compete with new entrants into the industry by carrying a myriad of new strategies to deal with the market leader. The new perspective appears, "if the market leader is not ready, the next question that arises is whether it will lose in the competition?" In answering to these questions, it is necessary to do deep comprehension whether a market leader is ready and aware to face the TCA.
This study gives an implication on the development of TCA concept practically in the telecommunication industry in Indonesia through case study to market leader in the telecommunications industry in Indonesia namely Telkomsel.

**Problem Statement**

Telkomsel is the market leader in Indonesian telecommunications business because in the data contained in the 2015 Annual Corporate Presentation, the market share of Telkomsel reached 54% in terms of Customer Base and 62% in terms of Revenue Based. Telkomsel started its operation in 1995 and led for 20 years in the cellular industry.

Most of the Telkomsel's share is owned by PT Telkom (65%) and Singapore Telecom (35%). Telecommunications Industry in Indonesia is constantly changing with new initiatives. Telkomsel continues to do transformation through various new initiatives to respond to these changes.

To remain to so a competition, Telkomsel transforms from a traditional telco. to be Digico. Telkomsel has positioned the company to continue to transform the business, organization, culture, and human resources with the aim at rapidly responding to digital business opportunities and always being a leader in the industry. The transformation key is to emphasis on Building Digital World, Great Payment Experience, and TrueBex (True Broadband Experience). In recent transformation, Telkomsel is also developing a program of transformation in business called Telkomsel 2.0 since 2012. The program aims at transforming its business, organizations, individuals, and corporate culture in order to achieve strategic objectives and anticipate market changes.

In terms of business side, the Telkomsel's business transformation focuses on DNA (Device-Network-Application) ecosystem. DNA becomes primary transformation on data and digital business. For the device, Telkomsel pursues a strategy of partnership with the device manufacturer, and the programs that lead to the goal of digital innovation in Indonesia. In terms of organizational transformation, Telkomsel focuses on building digital organizational readiness through the primary program of Transformation Jumpstart, People's Digital Built in Capabilities Development and Living the Telkomsel Way & Nurture Digital Ready Leadership. In terms of the transformation of human resources, Telkomsel focuses on creating a digital mindset to employees. Telkomsel continues to keep the employees continually consumer oriented and strive to achieve company goals. The quality digital talent becomes the main focus of the transformation of human resources in the company.
The Aim of Research
Various transformation programs conducted by Telkomsel today are necessary to do in-depth assessment whether a market leader is ready and aware to face the TCA.

RESEARCH METHOD
This study approach used qualitative method. The qualitative method is a study that has certain characteristics which aims at understanding the phenomenon of what is experienced by the subjects of the study; done holistically; done by description way, triangulation, inductive analysis and by using various scientific methods; the study as key instrument; emphasizes meaning rather than generalization (Moleong, 2009: 3; Sugiyono 2014: 7-8).

The technique of data analysis used Analytical Hierarchy Process (AHP). The demographic characteristics of the respondents under study were studied using SPSS Software. The population in this study are middle manager at Telkomsel. This research use purposive sampling method. 100 samples were taken in this study who mostly have positions as Manager and General Manager at head quarters offices with assumption can be the representative other area. Researchers also conducted indepth interviews with five senior leaders in Telkomsel who have positions as General Manager.

Based on the data process, it is known that weighting or priority of each criterion which affect readiness and awareness of the company in facing business competition to become a business unit that has a transient advantage. After that, in-depth interview was conducted to the selected respondents based on criteria: 1) Having a functional positions in the company as General Manager or similar level (General Auditor); (2) Having a long working life, which is at least 10 years in the company; (3) Taking a minimum of formal education to undergraduate (stratum-1).Then, the overall results of the study were evaluated by providing two alternatives already established namely remained on the current advantage condition (Focus on Extending Advantage) or capable to be a unit that has the transient advantage (capable for Being Transient Advantage) to make practical conclusions and suggestions for the company

ANALYSIS AND DISCUSSION
Overview of the respondents in this study was determined based on four characteristics i.e. position, age, years of service, and last education. Based on the position characteristics, 13.17% of respondents were general managers, 20.20% of respondents were managers, 34.43% of respondents were staff, and 14.5% of respondents were auditors. Based on the age characteristics, 47.40% of respondents aged <35 years old, 12.16% of respondents aged 36-40 years old, 17.22% of respondents aged 41-45 years old, 1.1% of respondents aged 46-50 years
old, 1.0% of respondents aged >50 years old. Based on the years of service of the respondents, 47% of respondents aged <10 years old, 21.27% of respondents aged 11-15 years old, 14.18% of respondents aged 16-20 years old, 4.5% of respondents aged 21-25 years old, 2.3% aged >25 years old. If it was contemplated on the latest education, 75.96% of respondents educated bachelor degree, 2.3% of respondents educated master degree, and 2.3% of respondents educated master degree.

The first stage was to make TCA Mapping through some stages: (1) Decomposition, (2) Comparative Judgment, (3) Synthesis of Priority, (4) Logical Consistency and (5) Weighted TCA (TCA Mapping). Then, it was conducted an analysis of in-depth interview results and evaluation by giving two alternatives that were already established that is to remain at the current advantage condition (Focus on Extending Advantage) or capable to be a unit that has the transient advantage (capable of Being Transient Advantage).

First stage, Plotting the Hierarchical Decision-Making Tree (Decomposition). At this stage, it was conducted the determination of priorities for identifying TCA include (1) describing the problem becomes criteria; (2) hierarchy diagram that shows the relationship mindset of one criteria with other criteria or among criteria towards the targets or the issues that have been defined by the authors with the aim at helping the system to the desired goal. In TCA, the criteria considered include themes, arena, customer experience and systemic innovation.

![Figure 1. The Diagram of TCA Hierarchy](source: Internal Documentation. 2016)

The next stage is Synthesis of variable and Indicators Priority. The stage was by using synthesis of priority calculations using matrix manipulation or through the completion of
mathematical equations to produce the weight or priority. Matrix manipulation was conducted by iteration. Iteration was done until the eigen value have not changed up to an n certain number is an eigen value. Based on the eigen value, it can be known the most important criteria. Table 3 shows the results of Synthesis of Priority.

<table>
<thead>
<tr>
<th>Table 1. The Results of Synthesis of Priority</th>
<th>Weight</th>
<th>FKL</th>
<th>KKB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Theme</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Controlling Current Resources</td>
<td>33,3%</td>
<td>53,2%</td>
<td>46,8%</td>
</tr>
<tr>
<td>Responding to Current Advantages</td>
<td>33,3%</td>
<td>35,4%</td>
<td>64,6%</td>
</tr>
<tr>
<td>The Way to Get Out the Business</td>
<td>33,3%</td>
<td>19,7%</td>
<td>80,7%</td>
</tr>
<tr>
<td>Arenas</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Releasing Self from Business</td>
<td>25%</td>
<td>26,2%</td>
<td>73,8%</td>
</tr>
<tr>
<td>Responding to Failure</td>
<td>25%</td>
<td>32,2%</td>
<td>67,8%</td>
</tr>
<tr>
<td>Doing Budget Plan</td>
<td>25%</td>
<td>60,6%</td>
<td>39,4%</td>
</tr>
<tr>
<td>Financing for New Business Opportunities</td>
<td>25%</td>
<td>18,1%</td>
<td>81,9%</td>
</tr>
<tr>
<td>Customer Experience</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flexibility in Asset Utilization</td>
<td>33,3%</td>
<td>42%</td>
<td>58%</td>
</tr>
<tr>
<td>Experimenting Desire</td>
<td>33,3%</td>
<td>20,4%</td>
<td>79,6%</td>
</tr>
<tr>
<td>Flexibility in Changing Business Plan</td>
<td>33,3%</td>
<td>18,8%</td>
<td>81,2%</td>
</tr>
<tr>
<td>Systemic Innovation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perspective towards Innovation</td>
<td>25%</td>
<td>31,9%</td>
<td>68,1%</td>
</tr>
<tr>
<td>Working Culture of Employee</td>
<td>25%</td>
<td>19,7%</td>
<td>80,3%</td>
</tr>
<tr>
<td>Perspective towards Restructuring</td>
<td>25%</td>
<td>40,9%</td>
<td>59,1%</td>
</tr>
<tr>
<td>Identification on Errors</td>
<td>25%</td>
<td>32,7%</td>
<td>67,3%</td>
</tr>
</tbody>
</table>

Source: Data Processed by author. 2016

FKL: Focus on Extending Advantage
KKB: Capable to Transient Advantage

1. Theme

Controlling Resources

The results of synthesis according to the experts that have been combined to the elements of controlling resources in Telkomsel showed 53.2% focused on the old advantages, while 46.8% opinions showed that the company has the capabilities to become a company with a transient advantage. It also means that the sector of controlling Telkomsel's resources has still a great influence to have a centralized resource.

The results are also aligned in depth interview shows that almost every decision of the organization implemented and analyzed the change in the center. And supervision of the organization was done centrally.
Responding to Current Advantages

The results of synthesis according to the experts that have been combined to address the elements of current advantage in Telkomsel showed 35.4% opinions focused on the old advantage, while 64.6% opinions showed that the company has the capabilities to become a company that has a transient advantage. It also means that in addressing the old advantages, the experts in Telkomsel have already had the notion that the company has been able to move to the next advantage to continue to grow (growth).

The results are also aligned indepth interview shows that because Telkomsel involved in the technology business, the company should follow two trends. Trends in technology itself as well as customer behavior trends affecting technology adoption what happened today.

The Way to Get Out of Business

The results of synthesis according to the experts that have been combined to the elements of a way out of business in Telkomsel showed that 19.7% opinions focused on the old advantages, while 80.7% opinions showed that the company has the capabilities to become a company that has a transient advantage. It also means that from the elements of the way out of business, the experts in Telkomsel have already had the notion that the company has a strategy and a systematic way to get out of the business being undertaken in order to move to a new advantages.

Indepth interview results also show that Telkomsel is already aligned to have a systematic way with the introduction of the transformation of the company called Telkomsel 2.0 in 2012.

2. Arenas

Releasing Self from Business

The results of synthesis according to the experts that have been combined to the elements of releasing yourself from the business in Telkomsel showed that 26.2% opinions focused on the old advantage, while 73.8% opinions showed that the company has the capabilities to become a company that has a transient advantage. It also means that from the elements of releasing yourself from the business, the experts in Telkomsel have already had a very strong notion that the company has its own strategy and a systematic way to release itself from the current business to achieve new advantage.

The results are also in line with in depth interview. It showed that employees in Telkomsel are already quite aware of releasing self from business. Coincidentally, the company
is a company engaged in the business of technology which has now become a commodity. So, everyone can be said to have put on and feel the effects of this business.

**Responding to Failure**
The results of synthesis according to the experts that have been combined to the elements of responding to the failure in Telkomsel showed that 32.2% opinions focused on the old advantages, while 67.8% opinions showed that the company has the capabilities to become a company that has a transient advantage. It also means that from the elements of responding to the failure, the experts in Telkomsel have already had a strong notion that the company tends to try to avoid failure despite in the uncertain situation.

Indepth interview results also show that Telkomsel has aligned generally toward new products and product innovations. Because the company aware that the business of technology is rapid.

**Doing Budget Plan**
The results of synthesis according to the experts that have been combined to the elements of the budget plan in Telkomsel showed that 60.6% opinions focused on the old advantages, while 39.4% opinions showed that the company has the capabilities to become a company that has a transient advantage. It is proven that from the element of doing the budget plan, Telkomsel has financial budget every year, which means longer than a criteria of transient advantage.

Indepth interview results also show that Telkomsel is aligned to the budget plan implemented every year operationally. Moreover, Telkomsel has planning strategy of the company for five years.

**Financing for New Business Opportunities**
The results of synthesis according to the experts that have been combined to the elements of financing for new business opportunities in Telkomsel showed that 18.1% opinions focused on the old advantages, while 81.9% opinions showed that the company has the capabilities to become a company that has a transient advantage.

Indepth interview results also showed that the company aligned very flexible to finance new business opportunities. It also means that from the elements of financing for new business opportunities, the experts in Telkomsel have already had a very strong notion that the company can take the resources from a successful business easily to finance the business with uncertain opportunities.
3. Customer Experience

*Flexibility in Asset Utilization*

The results of synthesis according to the experts that have been combined to the elements of flexibility in the asset utilization in Telkomsel showed that 42% opinions focused on the old advantages, while 58% opinions showed that the company has the capabilities to become a company that has a transient advantage. It also means that from the element of flexibility in the asset utilization, the experts in Telkomsel have already had a strong notion that the company sets the optimization to utilize assets. It means that the assets are used for their respective business fields appropriately.

Indepth interview results also indicate that the flexibility of the harmony is needed. But companies thinking how of the flexibility it able to produce something that is optimal.

*Experimenting Desire*

The results of synthesis according to the experts that have been combined to the elements of experimenting desire in Telkomsel showed that 20.4% opinions focused on the old advantages, while 79.6% opinions showed that the company has the capabilities to become a company that has a transient advantage. It also means that from the element of experimenting desire, the experts in Telkomsel have already had a strong notion that the company is more concerned to a Trial compared to the analysis. It does not mean that the analysis is not important but the analysis is used as a support tool for experimenting.

Indepth interview results also showed that some thinker aligned Telkomsel is already very experienced. They put forward the instinct to start a business and it’s in their heads.

*Flexibility in Changing the Business Plan*

The results of synthesis according to the experts that have been combined to the elements of flexibility in changing the business plan in Telkomsel showed that 18.8% opinions focused on the old advantages, while 81.2% opinions showed that the company has the capabilities to become a company that has a transient advantage. It also means that from the element of flexibility in changing the business plan, the experts in Telkomsel have already had a very strong notion that the company is more flexible to change the business plan for a better thing than to continue to dwell on the plan.

Indepth interview results also show that the company is aligned very flexible in planning a business. If there is an ongoing business then require quick action to avoid the failure of a business, the company will be very flexible to change the business plan.
4. Systemic Innovation

The Perspective towards Innovation

The results of synthesis according to the experts that have been combined to the elements of the perspective towards innovation in Telkomsel showed that 31.9% opinions focused on current advantage, while 68.1% showed that the company has the capabilities to become a company that has a transient advantage. It also means that from the element of perspective towards innovation, the experts in Telkomsel have had a reasonable belief that the process of innovation for a company is the main process and run continuously.

Indepth interview results also showed that aligned, because Telkomsel run in the technology industry so do not let the company set up it does not anticipate the changes.

Working Culture of Employee

The results of synthesis according to the experts that have been combined to the elements of the working culture of employee in Telkomsel showed that 19.7% opinions focused on current advantage, while 80.3% opinions showed that the company has the capabilities to become a company that has a transient advantage. It also means that from the element of working culture of employee, the experts in Telkomsel have had a reasonable belief that the best employees in the company spend most of their time to work on new business opportunities. Indepth interview results also showed that aligned, Since Telkomsel Since was first established, never feel the difference between the staff, the manager, to the level of directors. The voice of all employees will be heard. So employees Telkomsel will always exchanging thoughts and ideas. And it is always backed up if there is innovation and a good idea to hit the target company

The Perspective towards Restructuring

The results of synthesis according to the experts that have been combined to the elements of the perspective towards restructuring in Telkomsel showed that 40.9% opinion focused on the current advantage, while 59.1% opinions showed that the company has the capabilities to become a company that has a transient advantage. It also means that from the element of the perspective towards restructuring, the experts in Telkomsel have had a reasonable belief that the company will be reorganized if there are new business opportunities that require new organizational structure.

Indepth interview results also showed that aligned, It’s very common for Telkomsel to rotate or change in the organization. Telkomsel can be a big company now because of the flexibility workings of the organization.

Identification of Errors
The results of synthesis according to the experts that have been combined to the elements of the identification of errors in Telkomsel showed that 32.7% opinions focused on current advantage, while 67.3% opinions showed that the company has the capabilities to become a company that has a transient advantage. It also means that from the element of the identification of errors, the experts in Telkomsel have had a strong notion that mistakes in business are more easily identified by the company's senior leaders.

In-depth interview results also show that information is easily obtained. Traffic information and many more are very easy to do monitoring.

*The Overall Average of Variable (Priority)*

The priority of four objectives were assumed to have the same priority to achieve the goal setting that is 25% for a theme, 25% for the arenas, 25% for customer experience, and 25% for systemic innovation.

| Table 3. Readiness and Awareness of the Company in Facing Transient Advantage |
|-----------------------------|-------|-----|
| Weight | FKL | KKB |
| Theme | 25% | 36% | 64% |
| Arenas | 25% | 34.3% | 65.7% |
| Customer Experience | 25% | 27.1% | 72.9% |
| Systemic Innovation | 25% | 31.3% | 68.1% |

Source: Data Processed by author. 2016

FKL: Focus on Extending Advantage
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Based on Table 3, it can be concluded that: (1) Themes, the experts in Telkomsel have a strong notion equal to 64% that means the company's business theme has been able to switch to the transient competitive advantage; (2) Arenas, the experts in Telkomsel have a strong notion equal to 65.7% that means the company's business arena has been able to switch at a transient competitive advantage; (3) Customer Experience, the experts in Telkomsel has a very strong notion equal to 72.9% that means the company is able to switch quickly to create the experience to customers, (4) Systemic Innovation, the experts in Telkomsel have a strong notion equal to 68.1% that means the company has been able to innovate systematically to switch to the transient competitive advantage.
When the contribution of the four criteria of Telkomsel transient competitive advantage was accumulated, it would obtain 32.1% the amount of readiness and awareness of the company to become a business unit that has transient advantage criteria. Figure 2 shows that Telkomsel has been ready and aware to be a company that has a transient advantage 67.9%

CONCLUSION

The business themes run by the business unit of Telkomsel based on the criteria of transient competitive advantage analysis was 64%. The result was obtained after conducting opinion’s quantification of Telkomsel’s expert senior leader. It showed that the contribution of theme criteria for underlying Telkomsel as a business unit that had transient advantage was quite dominant.

The business arenas run by the business unit of Telkomsel based on the criteria of transient competitive advantage analysis was 65.7%. The result was obtained after conducting opinion’s quantification of Telkomsel’s expert senior leader. It showed that the contribution of arenas criteria for underlying Telkomsel as a business unit that had transient advantage was quite influential.

The awareness and expertise of Telkomsel business unit to give more experience to the customers (Customer Experience) run by the business unit of Telkomsel based on the criteria of transient competitive advantage analysis was 72.9%. The result was obtained after conducting opinion’s quantification of Telkomsel’s expert senior leader. It showed that the contribution of customer experience criteria for underlying Telkomsel as a business unit that had transient advantage was quite dominant.

The readiness and awareness of Telkomsel business unit to conduct systematic innovation (Systemic Innovation) run by the business unit of Telkomsel based on the criteria of transient competitive advantage analysis was 68.7%. The result was obtained after conducting opinion’s quantification of Telkomsel’s expert senior leader. It showed that the contribution of
systemic innovation criteria for underlying Telkomsel as a business unit that had a huge transient advantage was influential.

When the contribution of the four criteria of Telkomsel transient competitive advantage was accumulated, it would obtain 32.1% the amount of readiness and awareness of the company to become a business unit that has transient advantage criteria. There were only 67.9% experts’ opinions that have a paradigm to focus on current advantage. Attaining these results, it can be concluded that Telkomsel was dominant in a transient condition alternative rather than extending condition alternative so that it can be concluded that this business unit had been ready and aware as a company that has a transient advantage. Besides seeing the above results, the business unit of Telkomsel certainly would not be bothered if it was found some changes again to reach the new competitive advantage. It actually makes Telkomsel to be more ready and aware to face the competition in the telecommunications, information, media, and content industry.

RECOMMENDATIONS
This study provided an implication on the strategies that need to be done by Telkomsel that is Telkomsel should continue to make some innovations that support Telkomsel to be a corporate based transient advantage too. The results of this study found that sub-variable of arena had the lowest ratings compared with other sub-variables. Therefore, Telkomsel is recommended to identify and examine the business arena so that the optimization in gaining competitive advantage continues to increase.

The study also has an implication on further work that should be pursued in order that the output of TCA Mapping approaching the expected benchmark value, then the comparative judgment data for every sub-variable is recommended to determine the priority level that is considered by experts as the most important and less important. As well as the necessary in reviewing the index criteria of TCA Mapping whether it is still relevant or not. Future studies are expected to apply TCA in a broader scope in the context of corporate groups, industry, or with a higher level respondent.

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