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Industrial relations dominance in the ride sharing transportation apps

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Abstract. The development of digitalisation has penetrated the transportation sector. Indonesia has become a market for ride-sharing startups which has proliferated in the past three years. This article aimed to understand the hidden interests and dominance occurring in industrial relations in the sharing economy system in Grab Indonesia, especially in GrabCar services. The formulations of the problem in this paper were: whether the cause of the conflict between Grab company and its business partners reflected the company's or business partners' hidden interests? And then, what were the implications of the conflict on industrial relations for Grab and its partners?. This study used a qualitative approach with the Verstehen method to find the deepest and intersubjective meanings of social actions. This research applied the theory of conflict, industrial relations, and partnerships. Data sources in this study were primary sources in the form of interviews and secondary sources through newspapers, journals, books and webpages. The results showed that the cause of the conflict between Grab and its business partners revealed hidden interests of the company and some of its business partners. and also, conflicts caused imbalance and dominance of industrial relations in which the company has stronger power and authority than its business partners.

Keywords: industrial relations; sharing economy; grab; business partner; domination; hidden interests

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INTRODUCTION

Nowadays, the fourth industrial revolution is taking place. The emerging Industry 4.0 concept is an umberella term for a industrial paradigm which embraces a set of future industrial developments including Cyber-Physical Systems (CPS), the Internet of Things (IoT), the internet of Services (IoS), Robotics, Big Data, Cloud Manufacturing and Augmented Reality (Nagy et al., 2018). The fourth industrial revolution has also created a new system of sharing economy. The sharing economy include a vast array of companies spread across many industries and occupations. Those companies are engaged in activities as diverse as ride sharing transportation (Hill, 2015). This article formulated its assumption based on the phenomenon of online transportation companies in Indonesia in the digitalisation era.

Companies with a sharing economy system have succeeded in disrupting incumbents, whereas digitalisation offers convenience and comfort to obtain services not previously obtained from incumbent companies. Most of the recent literature about the fourth Industrial Revolution focuses on the technological innovation nature of Industry 4.0. There is concern about whether the fast growth in technological development and digitalisation is leaving a positive influence on the individuals and society (Morrar et al., 2017). Li and Taeihagh were found that Singapore government has identified five different types of technological risk: privacy, liability, automation, safety, and impact on incumbent industries (Li & Taeihagh, 2017). Few studies have been conducted to explore the relationship between ridesharing and the incumbent taxi. Incumbents most prominent reactions have been to lobby regulators to slow the growth of ride sharing apps (Wallsten, 2015). Even so, conflicts with application-based companies do not only occur with incumbents, but also with business partners as is the case with Grab companies with its driver-partners in Indonesia. Some incumbents have joined the sharing economy to both reap its emerging opportunities and tackle newcomers competition (Ciulli & Kolk, 2019). Every economic activity involves several interests of the actors, such as companies, workers or employees, business partners, government, and the community as consumers.

The relationship between the interests of the company and employees or partners can be understood using the concept of industrial relations. According to Simanjuntak (2009), industrial relations was the relationship of all parties related to or had an interest in the process of producing goods or services in a company. The Indonesian Law No. 13 of 2003 about Manpower defined industrial relations as a system of relations formed between actors in the process of producing goods or services consisting of elements of employers, workers or labourers and the government based on the values of Pancasila and the 1945 Constitution of the Republic of Indonesia.

Renting activities in the current digitalisation era has created innovations thanks to technological advancements on a broader scale and scope. Start-up technology has created a market that unites supply and demand through an apps system. The owners can use the assets they have for their personal use or rent their assets to others who need them. Such a market system is called peer to peer (P2P) or sharing economy markets (Horton & Zeckhauser, 2016). The ride sharing platforms consist of a typical two sided market, which is a meeting place for passengers and drivers who interact and provide each other with network benefits. Passengers and drivers are sensitive to the prices and wages of the service, which are critical decisions the platform makes to coordinate and balance demand and supply (Wang & Yang, 2019). Rachel Botsman defined the sharing economy as a socio-economic system for the production, distribution, trade and consumption of goods and services by different people and organisations (Allen & Berg, 2014). In other words, the concept of sharing economy is an economic model that rents out high-value underutilised assets. Sharing economy companies entered the market without the restrictions and regulations that serve as barriers of entry for traditional taxicab drivers. As a result, this advantage allows transportation online to operate with lower cost, and therefore provide better prices to consumers (Susilo & Akbar, 2020). They also make the prediction that transportation online will eventually take over the taxi industry at current conditions (Susilo & Akbar, 2020).

One example of a company that employed this system is Grab company which engages in online transportation. Grab was founded by Tan Hooi Ling and Anthony Tan from Malaysia in 2012. The company operates in Malaysia, Singapore, the Philippines, Vietnam, Thailand and Indonesia Yunus dkk found social media, innovations, and technology are the third variable who intersect each other to boost Grab as leader of ride-sharing transportation in Southeast Asia (Yunus et al., 2019).

Grab used the industrial relations in the sharing economy system in the form of the principles of partnership between Grab companies and its driver-partners. The sharing economy system in Grab companies had also triggered conflicts between the company and some of its business partners, or the Grab drivers in Indonesia. The conflict stemmed from the disappointment of business partners who did not get the promised incentives because the company froze the incentives without prior written notice. According to the driver's spokesperson during a demonstration at the company on July 4, 2017, in front of the North Jakarta Maspion Building, the Grab company has created a code of ethics and regulations without involving their driver-partners (Hazliansyah, 2017). Initially, the Grab company offered incentive guaranteed up to ten million for partners who continued to work on Eid days and up to three days after. Therefore, many Grab partners chose not to return to their hometown and postponed other activities because they chose to work to pursue those incentives. However, the company froze the incentives of some partners instead. This policy sparked disappointment and then caused the partners to hold demonstrations in order to assert their rights.

The presence of application-based companies, in fact, has brought various advantages and disadvantages to the people of Indonesia. Similar situations also occurred in various countries such as Mexico, London, or South Korea (Tempo.co, 2016). One reason for the rejection of online transportation was because there were no regulations that govern companies with the sharing economy system. Malhotra and Alstyne (Malhotra & Van Alstyne, 2014)expressed criticisms regarding the sharing economy system. They revealed the dark side of companies using the sharing economy, which is the companies are not responsible for services provided by third parties. So, if partners took deals without using the apps and an accident occurs, the corporation would not provide compensation to the victims. Indeed, platform-based corporations only bring together supply and demand (Malhotra & Van Alstyne, 2014).

A similar study the Uber transportation company from Ansari et al. (2015) supported such claims. Ansari's study revealed several risks of future partnership with Uber, which included dissatisfaction for partners (drivers) if the Uber company increased the reduction in revenue sharing. The new policy was due to the new law that requires companies to provide health insurance. Also, competitor risks would occur due to the establishment of various apps-based start-up companies with similar business models. The risk factors for customers included safety factors and rates imposed by the company (Ansari et al., 2015).

Furthermore, Schor (2016) also submitted criticism of the sharing economy system. He mentioned that the system would lose its good value when combined into "business as usual" economy (Schor, 2016). In the article entitled "Optimal Risk Management for Sharing the Economy with Stranger Danger and Service Quality," he synthesised two types of risks in sharing economy system: physical risks related to safety issues and performance risks caused by unsatisfactory service quality. In addition, the authors found that when performance risk increased, the sharing economy could lead to increased demand. However, increasing demand did not increase profits. On the other hand, when physical risk increased, demand and profits also did not experience growth. Meanwhile, investments in safety improvements will increase profits and demand (Hong et al., 2019).

Concerns about sharing economy system are understood otherwise by Allen and Berg (2014). Their article entitled "The Sharing Economy How Over-Regulation Could Destroy an Economic Revolution" revealed that the sharing economy system had the potential to revolutionise the way conduct trading, the forms of services we provide and use, and how we think of market transactions. However, regulation turned out to be a significant threat to the growth of the sharing economy. Dangers were caused by excessive regulation for personal gain, in addition to a little understanding of how the market platform emerged (Allen & Berg, 2014).

Laukkanen and Tura (2020) also proposed rejections and criticism of the sharing economy system. They tried to explain the potential of the sharing economy business model to create value for sustainability. The study by Laukkanen and Tura mentioned the categorisation of 13 different potentials of sharing economy models with a framework to assist analysis. The 13 categories of sharing economy models were: B2B access to goods; B2C access to physical spaces; B2C on-demand services; P2P access to goods platform, P2P access to physical spaces platform, P2P access to money, skills and knowledge; P2P on-demand services; P2P redistribution platforms; P2P community-based redistribution platforms; community-based redistribution; community-based services and knowledge sharing; community-based access; and sharing an ideal economy (Laukkanen & Tura, 2020). Previous studies have also criticised sharing economy systems, such as risks to society and competitors and the sustainability of the sharing economy system in the future. However, there was no research regarding industrial relations between corporations and partners and the form of dominance from Grab companies in Indonesia.

The dominant position and the subjugated position certainly have particular contrasting interests in the substance and direction of the partnership. The interests of the dominant positions are to maintain their ruling position. Therefore, the dominant position groups always try to maintain the status quo. Meanwhile, the subordinate position group will try to make changes.

The article entitled “Information Communication Technologies for Travel in Southern African Cities” (N. et al., 2020) revealed that Information Communication Technologies (ICT) played a considerable role in changing travel behaviour. Different use of ICT in certain countries may include travel or transportation. ICT can be implemented in application-based transportation by relying on the Internet and GPS in its services. However, Bashingi et al. (2020) found that in African regions such as the City of Bloemfontein, South Africa, Gaborone and Botswana, the government did not support ICT; even though both cities were capital cities. One of the reasons was the socio-economic aspects of developing countries.

This fact is also related to access to ICT knowledge and financial status (N. et al., 2020). Simarmata, Sitorus, Yuliantini, and Arubusman (2019) revealed in the article entitled “The Factors Influencing Passengers’ Interest in Using Transportation Services” that the image factor, ease of use of applications, prices, and promotions have a significant role in affecting one's interest in using transportation services (Simarmata et al., 2019). Meanwhile, Shiddiqi & Buliung also revealed that technological and communication advancements have implications for increasingly sophisticated application-based technology advancements. The ridesharing-based service system was originally operator based in the mid-1990s. However, today the system is transformed into a real-time data-based technology. Since then, the implementation of Dynamic Ridesharing (DRS) has undergone a reengineering process that increases its efficiency (Siddiqi & Buliung, 2013).

Conflicts of interest in organisations are always prevalent at all time, at the very least, it is hidden. This means that the legitimacy of authority is always threatened. If individuals occupy certain positions, they will behave in the way they are expected to be. Individuals are "adjusted to" or "adjusted themselves" to their role if they contribute to the conflict between superordinates and subordinates. Dahrendorf termed this unconscious role as "hidden interests," whereas the "real interests" were hidden interests that have been realised (Ralf Dahrendorf, 1986).

Furthermore, Dahrendorf (1986) postulated that the relationship between hidden interests and real interests as the main task of conflict theory where actors do not always need to realise their interests to act accordingly. Didik J Rachbini's statement in "Patterns of Business and Political Relations in Indonesia's Reformation Period: The Case of Rent Seeking" supported this opinion. In his political economy study, he defined rent-seeking as the pursuit of income through monopolies, licenses, and the use of power capital in businesses. Power was used to distort the market according to its interests. Rent-seeking economy occurs when an entrepreneur or company takes benefits or value that is not compensated by manipulating the business or business environment (Solihah, 2016).

In addition to the factors above, communication becomes a very influential factor when there is relationship conflict. Good communication occurs when both parties understand each other and can interact smoothly and efficiently. Digitalisation causes a change because the collaborating parties are only confronted with a system of communication. On the one hand, digitalisation allows ease and sophistication in communication technology. However, on the other hand, digitalisation is not beneficial for the parties at disadvantage parties because companies rely on systems that often cannot judge a problem fairly without the logic of a human being.

In an organisation, one of the objectives of implementing communication is to make decisions. To make the best decisions, management should have detailed knowledge of production, marketing, or finance before making a decision. Therefore, the decision-making process should involve all levels in the organisation.

According to Alice A. Wright & John J. Lynch Jr. in "The Nature of Organisational Communication," communication barriers were classified into four categories. First, mechanical and semantic interference. Second, interests that determine responsiveness, feelings, thoughts and behaviour. Third, motivation; communication can take place properly if the message delivered matches with the motivation of the recipient. Fourth, the prejudices that will cause inefficient communication process; prejudice and emotion make individuals draw conclusions without using the correct rationale (Furqon, 2003).

Grab companies were selected in this study among several other sharing economy companies because conflicts between companies and business partners only occur in Grab companies. This research is also crucial to who has the most significant interest in the sharing economy platform in Grab companies. Based on the explanation above, the researcher formulated the following problems in this study: 1) Is it true that the cause of the conflict that occurred between Grab company and its business partners indicates hidden interests of the company or its business partners? Moreover, 2) what are the implications of the conflict for industrial relations between the parties involved?

METHODOLOGY

The type of research used in this study is the exploratory research. The choice of this type depends on getting information, data information, data, and other things that are still unknown (Kotler, 1999). The unit of analysis in this study is Grab driver-partners in Surabaya. This study uses a qualitative method by collecting data through in-depth interviews. Besides, this study also collected secondary data from books, newspapers, journal articles and the internet. The researcher analysed the conversation with the informant by focusing on the conversation when interacting. This research used the Verstehen analytical method to find the deepest and intersubjective meanings of social actions. We encountered one difficulty in data collection that not all drivers were honest to state that they were using fraudulent applications. However, interviews were still conducted naturally. In addition, researchers had a key informant who did not hesitate to explain all the facts in detail. Researchers triangulate data with source triangulation techniques, namely comparing and checking the degree of trust in information obtained through different sources. Like comparing the results of interviews with existing documents, comparing the results of interviews between informants and key informants. The complete data related to the profile of informant was referenced in the table below.

Table 1. Profile of Subject

No	Subject Code	Address	Background (Sex, Age, and Profession)
1	WN	Sidoarjo	male, 35 years old, full-time driver (Key Informant)
2	RZ	Gubeng	male, 31 years old, full-time driver
3	KN	Rungkut	male, 50 years old, full-time driver
4	AD	Simo	woman, 35 years old, full-time driver
5	KM	Ketintang	male, 45 years old, full-time driver
6	WK	Sidoarjo	male, 32 years old, entrepreneur and part-time driver
7	DK	Tambaksari	male, 55 years old, full-time driver
8	AA	Perak	male, 33 years old, full-time driver
9	CF	Sidoarjo	male, 50 years old, full-time driver
10	BG	Gununganyar	male, 29 years old, full-time driver

RESULTS AND DISCUSSION

Industrial relations are a part of social science that aim to understand employment relations in its institutions through research. Industrial relations also assume that there are at least some inherent conflicts of interest between employers and workers (for example, high wages versus high profits). Meanwhile, in human resource management institutions and organisational behaviour, conflict is considered as natural and part of employment relations (Arul Busyro, 2011).

Sumanto (2014) in “Industrial Relations Understanding and Overcoming the Potential Conflicts of Employers-Workers in the Era of Global Capital” described indicators that can be used to determine the merits of an industrial relationship. Some of these indicators include a fair compensation system; healthy and safe working conditions; opportunities to utilise one's capabilities; opportunities to develop themselves, their careers and job security; social integration and identity in organisations; matching role of work and the lives of other workers at work; and involvement in decision making in improving the work environment.

The Grab Company was founded by a Malaysian named Anthony Tan in 2012. Grab is a company engaged in transportation services, not unlike Uber and Go-Jek. After three years, Grab has grown to become the largest transportation company in Southeast Asia. Since it was first established, Grab has raised US$ 700 million in funding. Grab has received investments from SoftBank Japan, China Investment Corp, Temasek Holdings from Singapore, and Didi Kuaidi from China (CNN, 2016). In Indonesia, Grab provides several services including Grab Taxi, Grab Car, Grab Bike, and Grab Express or instant couriers. Industrial relations with drivers in Grab companies adhere to the principle of partnership. Three main principles in establishing partnerships include the principle of equality, the principle of openness, and the principle of mutual benefit. Taking into account these principles, the position of the Grab company and partners (Grab drivers) should be equal because Grab drivers are not employees of Grab company. The concept of partnership according to Sanusi was cooperation between small businesses with medium or large businesses accompanied by coaching and development, taking into account the following principles: mutual need or dependency; win-win solution; mutual respect; compliance with mutually agreed agreements; mutual trust; mutual growth and development; long-term and sustainable profits oriented; and equality (Sanusi, n.d.).

The parties directly involved in the production process are entrepreneurs and workers whose rights and obligations are regulated in work agreements and various legislations, company regulations, and collective labour agreements. Therefore, workers need to understand the fundamentals of industrial and employment relations which include work agreements, company regulations, collective labour agreements, work hours and rest periods, overtime pay and layoffs (Sumanto, 2014). Meanwhile, the definition of partnership according to Grundey & Daugelaite (2009) was cooperations between one or several legal entities on a partnership agreement (contract), which allows the parties to share profits or losses and is oriented towards achieving common goals by evaluating the risks that might occur during the cooperations.

Meanwhile, according to the OECD *(The Organisation for Economic Co-Operation and Development)*, a partnership was defined as an agreement deliver something together that will benefit all parties involved, achieve results that cannot be achieved by a single partner operation, and reduce duplication efforts (Corcoran, 1999). Furthermore, Mohr & Spekman defined partnership as a strategic relationship intentionally designed or built between companies to achieve predetermined goals, mutual benefits, and high interdependence (Mohr & Robert Spekman, 1994). Based on the definitions above, partnership is an agreement where individuals, groups or organisations work together to achieve goals, execute and share tasks, mutually take risks and benefits, regularly evaluate the relationships, and improve the agreement when needed.

Based on the partnering initiative theory, an indicator is necessary to measure the success of a partnership. There are three ways to measure partnerships, which are measuring output, measuring impact, and measuring processes (Terán Tamayo, 2014).

Table 2 (*Evaluation Framework)*

Output	Identified based on the volume of goods produced in a specific time; the number of materials produced and distributed to specific areas
Impact	Identified based on the highest-level achievements. To measure impact, consider how partners consider their output to create long-term impacts
Process	Can create good partnership practices. In the initial phase of the partnership, partners must create agreements and implement procedures that support good partnership practices. It includes establishing openness and transparency in communication; consistency and reliability in completing tasks; as well as equality and respect for the use of resources. Measuring the process is ultimately based on a subjective view

Table 3 Evaluation of partnership between Grab and driver-partners

Output	The partners have fulfilled their obligation to complete trips and deliver passengers to obtain bonuses
Impact	Most of the partners did not get the promised bonus after completing their obligated trips and deliver passengers because the drivers were not rated five stars
Process	In the beginning, the company promised a considerable bonus. Therefore, the partners continued to work on Eid day and postponed other activities. However, during the bonus disbursement process, the company announced new rules that only the five stars rated drives could get the bonus. This rule was not mentioned from the beginning. Meanwhile, there is the cancel factor of a passenger, and the low rating given by one passenger affects the rating of the driver. This is undoubtedly detrimental to the drivers because this rule was not mentioned previously. Furthermore, if one passenger gives a low rating, it will certainly affect all the previous works the drivers had done. Ultimately, it caused the drivers to fail to obtain the desired bonuses.

The partnership evaluation table above showed the dominance of Grab over its partners. The company can enforce regulations unilaterally without conducting initial communication with partners. Besides, the rating system tends to be unfair. In a one-day trip to deliver passengers, a driver can deliver 9-20 passengers on average. If one passenger gives a bad rating, it will significantly affect the overall rating of the partner's performance. In fact, if a partner accidentally gets a consumer who intentionally presses cancel for any reason, then only the driver will be harmed due to the rating system. Meanwhile, Grab imposed new regulations that only the best-rated partners can get the promised bonus. Based on this situation, the partnership between Grab and its driver-partners did not meet the principle of equality, the principle of openness, and the principle of mutual benefit.

As Grab's business partners, drivers do not have the rights to pensions, health insurance, holiday benefits, and other compensation received rightly as employees of a company. Therefore, the industrial relations of Grab with its drivers greatly benefit the company because obligations to its employees do not burden the company. As business partners, indeed, the drivers have an advantage compared to other employees in general. They have an equal position with the company. Therefore, as business partners with equal positions, the drivers should be able to participate in determining policies within the company, especially concerning providing services and sharing revenue.

Several models of organisational relations according to Yukl & Van Fleet (1992), were: 1) dominance relations, meaning that in carrying out its relations, the first party controls the second party; 2) subordinated relations, meaning that in carrying out its relations, the second party controls the first party; 3) partnership relations, meaning the first and second parties are in equal position, which relies on trust, cooperation and mutual respect.

However, the position as Grab's business partner does not guarantee certain rights for its driver-partners. In fact, Grab has more power and authority than its business partners. It can be seen from Grab’s unilateral decision to terminate relations with its partners. The conflict that occurred between Grab and its partners started from new policies regarding the provision of significant bonuses for operations during the holidays. However, disappointment occurs when the company issued additional policies after the partners have worked to get their bonuses. The additional policies which were related to bonus disbursement which initially did not mention a minimum rating limit were unilaterally imposed. This rule eventually reduced the amount of bonus received by the partners. Also, several partners were unable to disburse the bonuses due to such additional policy. This situation was illustrated by one of Grab's business partners: "The rating system was also one of the reasons we were unable to liquefy the bonus. The rating rules were not in the previously written rules. There was also a minimum rating limit of 4.8 stars from 5 stars” (RZ, 2017). Another Grab partner also expressed similar frustration:

"For example, there were consumers who give one star, which reduced my rating considerably. So, to maintain my good rating and avoid complaints from passengers, I was forced to take the passengers to a destination outside the initial delivery agreement on application. It was burdensome" (KN, 2017).

In this case, the partner had the interest to pursue the promised incentives by continuing to operate on holidays, delaying other activities, and cancelling personal trips to their hometown. Meanwhile, the company had a hidden interest to get as much revenue sharing and profit as possible; even if they had to use unfair company policy and authority to minimise company expenditures related to disbursement of the promised bonus.

On the other hand, in reality, not all Grab business partners did honest work. Several lazy drivers, assisted by individuals who wanted to take advantage of the company's system, made fictitious orders with several cell phones. An informant illustrated this arrangement:

> "I have more than one cellphone. I usually used it to bid new orders. That way, I get fictitious orders. If my friend accidentally got my bid, I call them and tell them to execute the order. Usually, other Grab drivers already know that other partners did the biding. Sometimes, I purposely bid orders from my wife, relative, or friend's cell phone. Usually, I choose a deserted location to make sure I get the bid. I directed the maps to be at the location I previously selected" (WN, 2017).

Other driver-partners also use an application called “Tuyul”, which functions to direct their vehicles’ GPS to the desired location, even though they are not located on such location. The use of this application makes it easier for drivers to get orders. An informant further explained this:

> "I used an additional application, miss. So, I can get an order more quickly. For example, on GPS, I put the car inside the campus. But in fact, I was waiting at a shop outside the campus. If I do not use the application, I have to wait for a long time to get an order because there are already many other drivers around the campus" (BG, 2017).

Company policy to terminate relations with partners who make fictitious orders is a decisive step to avoid fraudulent business that may harm the company. Some of these partners have hidden interests, which is seeking profit without having to work. However, it should be noted that only a fraction of partners cheat using certain application. Many partners did not use additional applications such as “*Tuyul*”, and focused on honestly pursuing targets. "*Tuyul*" is one of the names of the application to change the location of the car's presence on the GPS in the desired position that aims to more easily get passangers. An informant confirmed this:

> "As long as I work diligently, rarely cancel, and my rating performance is good, the system will keep giving me orders. Usually,

> drivers who rarely get orders do not work regularly and often cancel passengers. So, even though there are already many other grab cars at a location on a map, and I am still 500-meters away from my destination, I still get the order. Maybe because my rating is good, so the system keeps giving me the orders" (KM, 2017).

The implication of the conflict between Grab companies and business partners is the existence of an imbalance in industrial relations between the company and partners in determining revenue sharing. Also, the company's position becomes more dominant because it can terminate work relationships unilaterally. It is also because the employment opportunities available in Indonesia is quite limited for the existing human resources. Therefore, the work as a Grab driver-partner is one of the main jobs of the Indonesian people, including in Surabaya. This also causes business partners to accept company policies, even if it is harmful to them.

From this situation, it can be concluded that the concept of a company based on the sharing economy, which was introduced in developed countries, experienced a shift in meaning. Previously, the concept of sharing economy aimed to re-functioning unused assets. Meanwhile, in developing countries like Indonesia, the majority of Grab drivers use this work as their main livelihood. Some business partners even take car or motorcycle loans to be able to join Grab business partners. Of course, this situation reduces the partner’s bargaining power towards the company because they need to pay their vehicle loans. The partners are indirectly bonded to join the company in order to pay instalments every month. This makes the company's bargaining power stronger and can determine policies that only benefit the company

There are 3 (three) key principles that must be understood by each member when building a partnership. First, the principle of equality (equity); where individuals, organisations or institutions who form partnerships must feel the same or in an equal position with others in achieving agreed goals. Second, the principle of openness, where all parties must know the weaknesses and various resources possessed by the other parties. The principle of openness must exist throughout the partnership as it creates a sense of complementarity and mutual assistance between parties (partners). Third, the principle of mutual benefit, where individuals, organisations or institutions involved in partnerships get benefits from the established partnership under their respective contributions.

Meanwhile, according to Levinger & Mulroy (2004), there are four types of partnerships. The first type is the potential partnership. In this type of partnership, the partners looked after each other but have not worked established an official relationship. The second type is the nascent partnership, in which the partnership is not yet optimal. The next type is complementary partnerships, where partners get benefits and additional influence through several scopes of fixed and relatively limited activities, such as delivery programs and resource mobilisation. The last type is the synergistic partnership which provides partners with advantages and influence in systemic development through the addition of new activities such as advocacy and research.

The sharing economy system, according to Juliet Schor was characterised by positive things, such as building social connections, saving the environment, and providing the economy that benefits others. Modern technology and innovation create a better economic model. The peer to peer platform is expected to be a fair, inclusive and has a low economic impact (Schor, 2016). Furthermore, Allen & Berg (2014) revealed several benefits of a sharing economy system. First, sustainable use of previously insufficient resources. Second, governance is carried out independently through civil society institutions. Third, a decentralised exchange which leads to cost reduction. Fourth, alternative pricing models, such as dynamic pricing. Fifth, the ability to increase market knowledge as a trial and error innovation process.

Basselier, Langenus, & Walravens (2018) also revealed several benefits of the sharing economy system, namely creating jobs, using underutilised resources, digital literacy, environmentally friendly and infrastructure, transparency and accountability, comfort, skills development, and social mobility. However, the sharing economy system in Grab has caused conflicts, one of which was caused by poor communication. Some of the obstacles included the interests and prejudices of the parties concerned. In fact, corporate decision making was often only based on the system, as stated by an informant: "if we (partner drivers) have a problem and want to ask for an explanation related to our problem, the company, the people we see, the customer service, can only apologise and says that is the way the system works" (AA, 2017).

The partnership between the company and partners cannot run smoothly because of the dominance of one party. Sumanto (Sumanto, 2014) stated that the principle of partnership in the industrial relations system should place company owners and workers in a relationship directed at creating harmonious cooperation, mutual respect and need, understanding of the respective roles, rights, and obligations in all business activities. The nature of idealism contained in an employment relationship should be based on the principle of partnership, namely that the workforce and the leadership of the company are considered partners in gaining profits. Therefore, when companies make profits, some of it is channelled back to the workforce in the form of wage increases, improvement of working conditions, and other social security. The principle of partnership in Grab companies does not reflect an equal position, instead the dominant position of Grab companies toward partners. This is not in accordance with the sharing economy system as the initial formation of the Grab company. The principle of partnership actually harms partners because they do not get the rights of a partner or employee.

CONCLUSION

The cause of conflicts that occurred between Grab and its partners was the existence of hidden interests of the company that aimed to seek maximum profits and minimise expenses and losses; even if it meant implementing company policies unilaterally without communication with its partners. Besides, another cause of company conflict with partners was the hidden interests of several Grab partners who took advantage of the technology and company policies to seek dishonest profits or used other fraudulent support apps. The conflict that occurred between Grab and its partners also revealed the company's dominant position towards its partners. Although Grab driver was portrayed as a business partner of the company, it had particular vulnerabilities in job security and wage distribution. The position of the company was not equal, especially in determining company policy and the distribution of incentives. The research also concluded that the position of the driver-partners was less favourable because company policies could be enforced without prior communication. Also, the company could also opt to terminate the employment relationship unilaterally. Driver-partners also did not get holiday bonus or other rights according to the workforce laws.

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