

## **Competitive Strategy to Improve Performance in Aviation Education and Training Institutions**

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### **Abstract**

This research aims to determine the Formulation of Competitive Strategy, Competitive Matching Stage Strategy, Competitive Decision Stage Strategy. The research method uses a quantitative descriptive approach that describes events in the research field. Data collection techniques: direct in-depth interviews with resource persons, observation through observing phenomena at the research location. Study documentation through archives in the education and training office, official records of the results of plenary meetings. Conclusions through analysis are carried out through stages, namely the data input stage with the IFE, EFE, CPM matrices, then the matching stage with the IE, Grand Strategy, SWOT matrices, then the decision stage using the Quality Strategy Planning matrix. Once the selected strategy is known, its implementation is carried out by creating a short-term and long-term logical framework. The conclusion from the strategic analysis carried out is that the company's position is in quadrant I with an aggressive strategy with the chosen strategy being market penetration by carrying out intensive and wider promotions by optimally utilizing information and communication technology.

**Keywords:** Competitive Strategy, Performance, Institutions

### **Introduction**

Businesses in the field of aviation education and training institutions have very good prospects due to the ever-increasing need for human resources, especially in the aviation sector. The increasing volume of flights has resulted in many new airports being opened because existing airports are no longer able to accommodate the volume of flights. This is where aviation education and training efforts became interesting at that time due to the extraordinary increase in flight volume which made the need for human resources even higher.

With a relatively short educational period of between up to 8 months, they will be educated and trained to become ready-to-use human resources. Therefore, in the future, it is not surprising that many business actors will see this opportunity and will be interested in enlivening their business in the field of aviation training.

This makes the dynamics in managing aviation training institutions increasingly high and very competitive. In facing business competition, of course every company or business actor needs an accurate and reliable competitive strategy so that the company can survive or even develop. The right competitive strategy can guarantee business continuity or can even make the business grow and develop so that it can win the competition.

For this reason, a competitive strategy plan is needed with comprehensive (thorough) thinking and smart ideas to be able to improve business performance, be it human resource performance, marketing performance, operational performance, or financial performance. However, no matter how good the marketing performance is, if it is not supported by the performance of other functions then this will be in vain.

Large income from marketing performance but the financial unit cannot manage finances well will be in vain. Likewise with the performance of human resources, how the existing human resources have a good work ethic and spirit so as to produce optimal performance. Likewise in the operational sector, even though marketing is successful in sales, if operational management is not good it will certainly give a bad image and will damage your good name which will ultimately damage the trust you have.

The phenomenon that is currently occurring, especially in the field of technology, is the very rapid development of the world of information and communication technology, thereby changing the order and concept of life in all aspects of society. There was a collapse and destruction of previous information and communication barriers. All information can be accessed so easily and quickly, communication can be done immediately, even in a matter of seconds, the vast world becomes very small, all events that occur are easily spread and known, thus creating a new order of life in society. An independent, intelligent, free society that wants everything to be easy to obtain, wants everything to be obtained quickly by taking advantage of advances in information and communication technology.

This advancement in technology and information certainly has a very significant influence on business life because every life in the business world certainly has challenges and threats, especially those that come from rivals or rivals. Today's business world, whether small, medium or large businesses, utilize advances in information and communication technology to build their businesses to achieve their goals or vision and mission, namely gaining business profits.

Then several systems and ways of marketing products or services were identified using digital marketing methods, where the advantage of this digital system is that it can reach targets according to the desired area, be it villages, cities, provinces or between countries. Apart from that, targets and objectives can be chosen according to needs both demographically, geographically and socio-economically.

#### Research methods

Qualitative methods are methods that focus on efforts to obtain data. Therefore, qualitative methods in research produce a more comprehensive study of a phenomenon as empirical and theoretical data.

#### Data collection technique

In data collection techniques as a strategic step in this research, Sugiyono, (2017:224), because the aim of the research is to obtain data, through the following:

a. Interviews through direct and systematic conversations were carried out by researchers with a number of respondents as sources to obtain a number of information related to the problem under study.

b. Observation through observation, observing and recording activities regarding the processes and objects studied with the aim of understanding knowledge of a phenomenon based on information from the research location

c. Documentation Study is a method of obtaining information sourced from documents to obtain information related to the problem being studied.

#### Data analysis technique

In data analysis techniques, it is an activity after data from all respondents as sources has been collected. The next activities in data analysis are grouping data, tabulating data, presenting the researched data, and carrying out calculations to answer the problem formulation.

#### Results and Discussion

##### Formulation of Competitive Strategies to Improve Business Performance of Aviation Education and Training Institutions

Strategy formulation is carried out through three stages, namely: input stage, matching stage and decision stage. 1. Input Stage At this stage the strategy analysis is carried out in three ways, namely with the IFE, EFE and CPM matrices. Analysis using the IFE Matrix produces; the total weighted strength score is 2.06 and the total weighted weakness score is 0.69, so the total score of 113 weighted IFE matrices is 2.75.

This indicates that the IFE value is above the average value of 2.5, so it can be concluded that the company has good internal factor strengths and is able to overcome its internal weaknesses. Another thing that was found was that the main strength factors for the company were competitive prices, comfortable representative places, and qualified instructors with a weighted score of 0.20 each. Meanwhile, the main weakness factor for the company is the decline in marketing performance with a weighted score of 0.05. The EFE matrix produces; The total weighted score for opportunities is 1.41 and the total weighted score for threats is 1.29, so the total weighted score for the EFE matrix is 2.71.

This shows that the EFE value is above the average value of 2.5, so it can be concluded that the company is able to take advantage of existing opportunities and is able to minimize the threats faced by the company. The main opportunity that companies can take advantage of is the rapid growth of the aviation industry, air cargo is growing increasingly rapidly with weighted scores of 0.19 and 0.20 respectively. Meanwhile, the company's main threats are the world economic crisis with a weighted score of 0.24 and the Covid-19 pandemic with a weighted score of 0.28.

In this research, Total IFE and EFE Weighted Scores were obtained by adding up the weighted scores of factors, both internal and external factors. A total IFE weighted score above 2.5 indicates that the company has a strong internal position, if the total IFE weighted score is below 2.5 indicates the company has weak internal factors.

A total EFE weighted score above 2.5 indicates that the company is able to take advantage of existing opportunities to minimize future threats. If the total EFE weighted score is below 2.5, it indicates that the company has not been able to take advantage of existing opportunities to minimize future threats.

Competitive Profile Matrix Analysis, produces; Company score weight is 3.06, competitor A 3.70 and competitor B 3.0. Competitor A has competitive strength above AGTC, while competitor B has relatively little competitive strength below the Angkasa Gemilang Training Center Training Institute. The Angkasa Gemilang Training Center Training Institute

has main weaknesses, namely promotion, advertising, market share and quality of human resources compared to competitors, namely with a value of 0.14.

The strengths are place and facilities, instructors, materials and curriculum, price, but these factors are still the same as the strengths of competitor A even though they are above competitor B. In operational factors such as quality control, quality of instructors, quality of materials and curriculum, place, infrastructure, the Angkasa Gemilang Training Center Training Institute showed good performance and was no different from the two competitors, even though the differences were not very significant. Meanwhile, the highest weight on important success factors is the use of information and communication technology with a weight of 0.09.

#### Competitive Matching Stage Strategy to Improve Business Performance of Aviation Education and Training Institutions

At the matching stage the analysis used is the IE matrix, Grand Strategy matrix and SWOT matrix. In the IE matrix analysis, the data used uses the total IFE weighted score as the X axis with a value of 2.75, while the total EFE weighted score is used as the Y axis with a value of 2.71 where the intersection of the lines produces the company's position in cell five with its guard and maintain strategy.

In this position the company must use market penetration and market development strategies. Market penetration can be done by utilizing information and communication technology using the internet, while market development can be done by opening branches in other geographic areas.

In the Grand Strategy Matrix Analysis, using the total IFE weighted score as the X axis the value is 2.75, while the total EFE weighted score as the Y axis is 2.71. The difference between strengths and weaknesses (1.37) and the difference between opportunities and threats (0.12) becomes the value of the X and Y axes, where the intersection of the lines produces the company's position in quadrant I. In quadrant one the most appropriate strategy is market penetration, market development and products, forward integration, backward integration, horizontal integration, related diversification.

SWOT Matrix, in quantitative SWOT matrix analysis using quadrants, the

Meanwhile, on the Y axis is the difference between the sum of the opportunity weighted scores (1.41) and the threat weighted scores (1.29), which is 0.12. The meeting of the two lines is in quadrant I, with an aggressive strategy. This position indicates that the company has internal strength so that it can take advantage of existing opportunities.

The strategy that can be applied in this position is to support aggressive growth policies or recommend progressive strategies. Qualitative SWOT Matrix analysis produces three alternative strategies, namely:

- a. Market penetration by optimally utilizing information and communication technology.
- b. Improving the quality of Human Resources.
- c. Expanding cooperation with aviation industry stakeholders.

This is in line with research conducted by Klara R, A Yohansyah, et al (2020), with a journal entitled Determining Marketing Strategy Based on SWOT Analysis of Trusted Products in Persero Companies. In this journal, the X line is obtained from the difference in IFE values, namely the difference between strengths and weaknesses (S-W). Meanwhile, the Y line is obtained from the difference in EFE values, namely the difference between opportunities and threats (O-T). The intersection of the lines shows the company's current SWOT quadrant position.

## Competitive Decision Stage Strategy to Improve Business Performance of Aviation Education and Training Institutions

At this stage the author uses Quantitative Strategic Planning Matrix analysis, namely by testing the three alternative strategies found. From testing using Quantitative Strategic Planning, it emerged that the strategy chosen from the three alternative strategies was market penetration by optimally utilizing information and communication technology with value.

Market Penetration is a strategy that seeks to increase market share through greater marketing. Market penetration includes increasing sales force numbers, increasing advertising expenses, offering extensive sales promotions on items, increasing publicity efforts.

Meanwhile, market share itself is the percentage of sales when compared to sales in the market.

a. Increasing the sales force number is by adding existing marketing staff so that sales can be increased.

b. The increase in advertising expenses is due to the market penetration strategy having to dare to carry out greater advertising than before and of course this is done with good calculations and analysis, how much it costs and what results can be achieved.

c. Carrying out promotions such as discounts at certain events, for reasons of social status and so on.

d. Efforts to publicize the achievements obtained, collaboration with external parties, supporting infrastructure and facilities are one of the efforts in market penetration.

### Conclusions and recommendations

#### Conclusion

Based on the results and discussion, several conclusions can be drawn from the analysis, so several conclusions can be drawn, namely as follows:

a. In the IFE, EFE matrix analysis, the results show that the Angkasa Gemilang Training Center has good internal and external strengths. It's just that marketing performance is still not good, because it is unable to keep up with current developments in information and communication technology. This can also be seen in the CPM matrix where several operational factors of the Angkasa Gemilang Training Center Training Institute are relatively good compared to competitors, but the promotion and advertising factors are very weak compared to competitors.

b. In the IE matrix analysis, the results obtained show that the company's position is in cell V (five), namely with a guard and maintain strategy, the appropriate strategy is market penetration and market development.

c. In the analysis of the grand strategy matrix, the results obtained show that the company's position is in quadrant I. In quadrant I, the appropriate strategy is market penetration, market and product development, forward and backward integration, horizontal integration, and related diversification.

d. In the quantitative SWOT matrix analysis through the SWOT quadrants, the results show that the company's position is in quadrant I with an aggressive strategy. In this quadrant the strategy is to use internal strengths to take advantage of existing opportunities.

#### Suggestion

Based on the conclusions above, the author provides advice to the Director and Management of the Angkasa Gemilang Training Center Aviation Training Institute as follows:

a. In order to improve marketing performance, the author suggests that companies can make maximum use of information and communication technology via the internet and update it to support promotional and advertising activities according to the alternative strategy chosen.

b. To improve operational performance, the author suggests that companies do the following: (1). Increase cooperation both in quantity and quality with stakeholders in the aviation industry such as airlines, ground handling, airport authorities, regulatory agents, cargo agents, both domestic and international. (2). Improving the quality of human resources through recruitment patterns in accordance with specified formal education standards, skills development through training, providing compensation in accordance with applicable regulations. (3). Maintaining good operational performance so far, such as quality instructors, always updated materials, comfortable places and continuing to innovate to keep getting better.

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