Dynamics of Financial Performance and The Effectiveness of DKI Jakarta Local Government Policies Towards Transjakarta

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Abstract

This study examines the financial performance of Transjakarta and the policy context of the DKI Jakarta Provincial Government during the 2018–2024 period. Using a descriptive-evaluative approach based on secondary data, the study analyzes Return on Assets (ROA), Return on Investment (ROI), and Cash Ratio, complemented by a review of relevant government policy documents and corporate reports concerning Public Service Obligations (PSO), Regional Capital Participation (PMD), non-farebox revenue diversification, transportation integration, and green transportation initiatives. The findings show that operating revenue increased from IDR 2.615 trillion in 2018 to IDR 4.474 trillion in 2024, although profitability did not improve consistently. ROA declined overall from 10.93% to 2.62%, with some recovery in 2022 and 2024. ROI fluctuated during the observation period before increasing to 20.95% in 2024. The Cash Ratio remained above 100% throughout the period, indicating that cash and cash equivalents exceeded current liabilities, although this ratio alone does not establish whether cash management was optimal. The policy review indicates that PSO and PMD were important elements of Transjakarta's public-service financing and asset development, while non-farebox revenue increased from IDR 65.1 billion in 2022 to IDR 221.1 billion in 2024. However, the available evidence does not establish the causal effects of individual policies on financial performance. The findings highlight the importance of improving asset utilization, managing operating costs, diversifying revenue sources, and strengthening performance monitoring in public transportation enterprises.

Keywords: Financial performance, public policy, public service obligation (PSO), public transportation, transjakarta.

Abstrak

Dinamika Kinerja Keuangan dan Efektivitas Kebijakan Pemerintah Provinsi DKI Jakarta terhadap Transjakarta: *Penelitian ini menganalisis kinerja keuangan Transjakarta dan konteks kebijakan Pemerintah Provinsi DKI Jakarta selama periode 2018–2024. Penelitian menggunakan pendekatan deskriptif-evaluatif berbasis data sekunder melalui analisis Return on Assets (ROA), Return on Investment (ROI), dan Cash Ratio, yang dilengkapi dengan penelaahan dokumen kebijakan pemerintah dan laporan perusahaan terkait Public Service Obligation (PSO), Penyertaan Modal Daerah (PMD), diversifikasi pendapatan non-farebox, integrasi transportasi, dan transportasi hijau. Hasil penelitian menunjukkan bahwa pendapatan operasional meningkat dari Rp2,615 triliun pada 2018 menjadi Rp4,474 triliun pada 2024, tetapi peningkatan tersebut tidak diikuti perbaikan profitabilitas secara konsisten. ROA menurun secara keseluruhan dari 10,93% menjadi 2,62%, meskipun mengalami peningkatan pada 2022 dan 2024. ROI berfluktuasi selama periode penelitian sebelum meningkat menjadi 20,95% pada 2024. Cash Ratio selalu berada di atas 100%, yang menunjukkan bahwa kas dan setara kas melebihi kewajiban lancar, tetapi rasio tersebut saja belum cukup untuk memastikan optimalitas pengelolaan kas. Penelaahan kebijakan menunjukkan bahwa PSO dan PMD merupakan bagian penting dalam pembiayaan pelayanan publik dan pengembangan aset Transjakarta, sedangkan pendapatan non-farebox meningkat dari Rp65,1 miliar pada 2022 menjadi Rp221,1 miliar pada 2024. Namun, bukti yang tersedia belum dapat memastikan dampak kausal masing-masing kebijakan terhadap kinerja keuangan. Temuan ini menegaskan pentingnya peningkatan pemanfaatan aset, pengelolaan biaya operasional, diversifikasi pendapatan, dan penguatan pemantauan kinerja pada perusahaan transportasi publik.*

Kata kunci**:** *Kebijakan publik, kewajiban pelayanan publik (PSO), kinerja keuangan, transportasi publik, transjakarta.*

1. Pendahuluan

Public transportation is one of the main pillars in the development of metropolitan areas, especially for big cities with high levels of population mobility such as Jakarta. The complexity of traffic problems,

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the high dependence of people on private vehicles, and the high level of air pollution [1][2] makes the provision of efficient, affordable, and sustainable mass transportation [3] a strategic agenda of the DKI Jakarta Government. In this context, Transjakarta has a central role as a Regionally Owned Enterprise (BUMD) that is the backbone of the road-based mass transportation system in Jakarta. Since its full operation, Transjakarta has undergone significant transformation, especially in the 2018–2024 period, when the company entered a phase of massive expansion, digitalization, transportation system integration, and transition to an environmentally friendly fleet.

Transjakarta's strategic role lies not only in its function as a public service operator, but also in its position as a corporate entity that manages the public budget on a large scale. In the period 2018-2024, the company managed operating revenue between Rp. 2.6 - 4.4 trillion per year and assets that increased significantly from Rp. 3.69 trillion in 2018 to Rp. 7.66 trillion in 2024. However, the increase in the capacity of these assets was not followed by a proportionate increase in profitability. Financial data indicate that Transjakarta's Return on Assets (ROA) declined substantially from 10.93% in 2018 to 2.62% in 2024, while Return on Investment (ROI) fluctuated during the observation period and increased to 20.95% in 2024. Despite the company maintaining a relatively high cash ratio, the low ROA indicates that asset growth has not been followed by proportional profit growth. This divergence suggests that strong liquidity has not been translated into improved profitability or more efficient asset utilization. Such a condition raises important questions regarding the effectiveness of government support policies, including Public Service Obligation (PSO), Regional Capital Participation (PMD), service integration, and fleet electrification, in strengthening the company's long-term financial performance rather than merely maintaining its operational sustainability. This dynamic indicates an imbalance between asset expansion and the effectiveness of the use of these assets in generating financial profits, thus raising questions about the efficiency of the financial performance of transportation BUMDs in this modern era.

The DKI Jakarta Provincial Government as a shareholder as well as a policymaker plays a very dominant role in directing Transjakarta's performance. Government intervention is present through *the Public Service Obligation* (PSO) subsidy scheme, the provision of Regional Capital Participation (PMD), income diversification policies, the integration of transportation modes through the JakLingko system, and *green transportation* policies through fleet electrification. The PSO policy, for example, is the main foundation of Transjakarta's public service financing. In recent years, the amount of PSO has continued to increase (even reaching more than Rp. 3.6 trillion in 2024) to keep tariffs affordable while ensuring operational sustainability. On the other hand, the PMD policy encourages aggressive asset expansion, but without an adequate increase in ROI and ROA. Non-farebox revenue diversification showed positive results with significant growth between 2022–2024, but its contribution to overall financial performance is still relatively small compared to PSO-based revenues. This emphasizes the need to evaluate the effectiveness of each government policy in influencing Transjakarta's financial dynamics.

Although these policies show a progressive transformation direction (both in terms of public services, technology integration, and environmental policies), the main problem remains related to the consistency between public goals and corporate goals of BUMDs. On the one hand, Transjakarta is required to provide inclusive, safe, and affordable transportation services, in line with the government's vision to reduce congestion and carbon emissions. On the other hand, as a business entity, companies must also maintain operational efficiency [4], increase asset productivity [5], and ensure long-term financial sustainability [6][7][8]. The tension between these two goals makes the analysis of financial performance and the effectiveness of public policies a strategic issue that cannot be ignored. The management of BUMDs that rely only on subsidies and PMD without strengthening internal efficiency risks causing high fiscal dependence and reducing innovation incentives [9][10].

Academic and policy studies related to the performance of transportation BUMDs (Regional-owned enterprises) in Indonesia still dominantly discuss operational aspects, such as *headway* [11], *load factor* [12][13], service quality [14], and customer satisfaction [12][15][16]. Meanwhile, research examining the relationship between long-term financial performance dynamics and the effectiveness of government policies is still very limited, especially in BUMDs with large public roles such as Transjakarta [17][18]. The lack of literature that combines analysis of financial performance trends, the effectiveness

of regional fiscal policies (PSO, PMD), revenue innovation, and transportation system transformation creates *a significant research gap*. Therefore, it is important to examine how local government policies have an impact on Transjakarta's financial performance, especially during the great transition period of 2018–2024 marked by the COVID-19 pandemic, economic recovery, digitalization, and the acceleration of green transportation.

The research gap lies in the limited integration of longitudinal company-level financial analysis and the evaluation of public policy interventions within a single study of Transjakarta. In particular, this study examines the development of the Cash Ratio (CR), Return on Assets (ROA), and Return on Investment (ROI) during 2018–2024 and interprets these indicators in relation to Public Service Obligation (PSO), Regional Capital Participation (PMD), non-farebox revenue diversification, transportation integration, and green transportation policies. Rather than assuming that previous research has entirely neglected Transjakarta's financial performance or electric-bus economics, this study addresses the need to connect financial-ratio trends with the broader context of public financing and transport policy.

The novelty of this study lies in which combines a longitudinal analysis of Transjakarta's financial ratios for 2018–2024 with a descriptive-evaluative assessment of relevant government policy interventions. This approach distinguishes the dimensions of liquidity, asset profitability, and investment returns while considering the public-service responsibilities of a regional-owned transport enterprise. Accordingly, the study aims to analyze Transjakarta's financial-performance dynamics during 2018–2024 and evaluate how these dynamics relate to PSO, PMD, revenue diversification, transportation integration, and green transportation initiatives. The findings are expected to contribute empirical evidence for performance-based public financing, asset-productivity management, and financial governance in public transportation.

Based on the issues outlined above, this study aims to analyze the dynamics of Transjakarta's financial performance during the 2018–2024 period and to evaluate the effectiveness of selected government policy interventions, including Public Service Obligation (PSO), Regional Capital Participation (PMD), revenue diversification, transportation system integration, and green transportation initiatives. The effectiveness of these policies is evaluated based on their contribution to key financial performance indicators, namely liquidity (Cash Ratio), profitability (Return on Assets and Return on Investment), revenue stability, and operational sustainability. By integrating quantitative financial analysis with qualitative policy evaluation, this study seeks to provide evidence-based policy recommendations to strengthen the financial sustainability and governance of public transportation services in the future.

2. Methodology

2.1. Research Approach and Design

This study employs a descriptive-evaluative approach based on secondary data to examine the financial performance of Transjakarta and the policy context of the DKI Jakarta Provincial Government during the 2018–2024 period. The descriptive component identifies financial performance patterns over time, while the evaluative component examines the extent to which documented policy objectives and implementation developments correspond with the observed financial trends. The approach is intended to provide a systematic description and contextual assessment rather than establish causal relationships between individual government policies and financial performance.

The evaluative component requires explicit criteria to guide the assessment. OECD [19] provides an established framework for policy evaluation through criteria including relevance, coherence, effectiveness, efficiency, impact, and sustainability. Given the scope and availability of evidence in this study, the assessment focuses primarily on the documented policy objectives, implementation evidence, financial implications, and operational considerations relevant to Transjakarta. The selection of evaluation criteria should be transparent and appropriate to the specific policy context [19].

Table 1. Financial ratio concept and formula

No.	Financial Ratios	Concept	Equation
1	*Return on Investment* (ROI)	Measure the percentage of benefits generated compared to the investment costs it has incurred. If the ROI is greater than "0" (zero), then it is an acceptable investment. This means that the greater the ROI value, the better.	$ROI = \frac{Net\ Profit}{Investment}\ x\ 100$
2	*Return on Assets* (ROA)	*Return on Asset* (ROA) is a financial ratio that shows a company's ability to earn profits or loss. The greater the value of ROA, the higher the profit level achieved by a company.	$ROA = \frac{Laba}{Total\ Aset}\ x\ 100$
3	*Cash Ratio* (CR)	Measuring the company's ability to pay its debts with cash and cash equivalents. If the company's *Cash Ratio* is higher, the better (healthier) the company's finances, because the company has the ability to pay off short-term obligations.	$CR = \frac{Kas + Bank}{Hutang\ Lancar}\ x\ 100$

2.2. Data and Analysis Techniques

The study uses secondary data obtained from Transjakarta's financial statements and relevant government and organizational documents covering 2018–2024. The financial data include total assets, revenue, net profit, cash and current liabilities, and other available financial information relevant to the calculation of financial ratios. Policy-related sources include available documents concerning Public Service Obligations (PSO), Penyertaan Modal Daerah (PMD), non-farebox revenue diversification, transportation integration through JakLingko, and green transportation initiatives.

The financial data are analyzed using descriptive financial-ratio analysis and annual trend analysis. The indicators include Return on Assets (ROA), Return on Investment (ROI), and Cash Ratio. The ratios are calculated consistently across the observation period, and their annual movements are compared to identify changes in profitability, investment-related returns, and short-term liquidity. The operational definitions, numerators, denominators, and data sources for each ratio are specified to support transparency and comparability.

The policy component uses descriptive document analysis to examine the content and stated objectives of relevant policy documents, corporate reports, and supporting publications. Document analysis provides a systematic means of reviewing and interpreting documentary evidence while considering the relevance and limitations of the documents used [21]. The review focuses on documented policy objectives, implementation developments, and available evidence of financial or operational implications.

Finally, the financial trends and documentary findings are synthesized through a descriptive-evaluative comparison. This synthesis identifies areas of consistency, potential relationships, and issues requiring further investigation between observed financial developments and documented policy initiatives. Because the study relies on secondary data and does not employ a causal identification strategy, the findings are interpreted as descriptive and evaluative evidence rather than definitive proof that particular policies caused changes in Transjakarta's financial performance.

2.3. Result

2.3.1. Dynamics of Transjakarta's Financial Performance for the 2018–2024 Period

The results of the study show that Transjakarta's financial performance experienced significant dynamics throughout the 2018-2024 period, with a positive long-term revenue growth pattern but accompanied by fluctuations in profitability. In the early phases of the research period, namely 2018 and 2019, Transjakarta recorded a very strong financial performance. Operating revenue increased from Rp. 2.615 trillion in 2018 to Rp. 3.304 trillion in 2019, supported by an increase in PSO subsidies and service expansion. That operating revenue consists of farebox revenue, Public Service Obligation (PSO) subsidies, and non-farebox revenue such as advertising services, commercial space rental, business partnerships, and other supporting income. Net profit also reached the highest level in 2019, amounting to Rp. 458.3 billion, showing that the expansion of services in the pre-pandemic period had a positive impact on the company's financial performance.

Table 2. Transjakarta's financial performance (2018–2024)

Year	General Conditions & Company Focus	Operating Revenue (IDR Trillion)	Net Profit (IDR Billion)	YoY Change (Revenue / Profit)	Total Assets (IDR Trillion)	Notes
2018	Period of aggressive growth towards public service integration.	2,615	403,3	+49,4% / +53,4%	3,69	Rapid growth was driven by increased subsidies and service expansion; Profits jumped significantly.
2019	Pre-pandemic growth peak; large expansion of fleets and routes.	3,304	458,3	+26,3% / +13,7%	5,48	The fleet increased by 1,431 units; Route 247; Customers grew 40%.
2020	The impact of the COVID-19 pandemic; people's mobility has decreased sharply.	3,072	378,5	−7,0% / −17,4%	7,07	The number of customers is down >50%; ongoing operations for public services; cost efficiency is applied.
2021	The initial phase of recovery and digitization of services.	3,064	270,4	stable/ −28,6%	7,07	Implementation of JakLingko integration and increased customer satisfaction; cost efficiency is still ongoing. Although operating income remained relatively stable, profitability declined, likely due to increased operating costs, maintenance costs, implementation of health protocols, fleet integration activities, and higher depreciation costs during the post-pandemic recovery period.
2022	Post-pandemic recovery and increased mobility of residents.	3,681	350,1	+20,1% / +29,5%	7,40	Increase in daily passengers (523 thousand); *non-farebox revenue* of Rp. 71.4 billion; efficiency increased.
2023	Years of consolidation and efficiency; Profitability decreases.	3,903	146,4	+6,0% / −58,2%	7,26	Principal expenses increased by 17.9%; increased operational costs; fixed income grows; Profits are depressed.
2024	Recovery and regrowth; income diversification.	4,474	200,6	+14,6% / +37,0%	7,66	Non-transportation revenue increased by 79.7%; public subsidies increased by 11.3%; efficiency and investment increased.

However, in 2020, the COVID-19 pandemic put significant pressure on Transjakarta's financial condition. Revenue decreased to Rp. 3.072 trillion, in line with the decline in the number of passengers due to Large-Scale Social Restrictions (PSBB). Net profit decreased to Rp. 378.5 billion despite the company's strict operational efficiency. In 2021, the effects of the pandemic continued, causing stagnant revenue and net profit to fall further to Rp. 270.4 billion. This period marks the lowest point of profitability before the company enters the recovery phase.

Performance began to improve in 2022, marked by the recovery of community mobility after PPKM. Revenue increased to Rp. 3.681 trillion and net profit increased to Rp. 350.1 billion. This positive trend continues in 2023 and 2024, albeit with different dynamics. In 2023, fixed income grew by 6%, but net profit decreased drastically to Rp. 146.4 billion due to an increase in cost of income by 17.9%. 2024 will be an important turning point, when revenue increased significantly to Rp. 4.474 trillion and net profit recovered to Rp. 200.6 billion. This increase was largely triggered by a 79.7% surge in non-freight revenue and improved operational efficiency. Overall, the 2018–2024 period illustrates complex financial dynamics: long-term revenue growth, pandemic resilience, and adaptability through income diversification.

2.3.2. Transjakarta Financial Ratio Analysis (2018–2024)

Analysis of Transjakarta's financial ratios for the 2018–2024 period shows performance dynamics influenced by operational growth, external turmoil such as the pandemic, and changes in the cost and revenue structure. *The Cash Ratio* was at a very high level throughout the study period, ranging from 206% to 380%. This huge liquidity indicates significant cash accumulation, both due to government support in the form of operational subsidies and the postponement of capital expenditure due to market uncertainty, especially during the pandemic. While high liquidity provides room for safety for companies,

Table 3. Transjakarta financial ratio (2018-2024)

Year	CR (%)	ROA (%)	ROI (%)	Interpretation
2018	380,50%	10,93%	17,79%	Very high liquidity indicates the existence of idle cash or the non-optimal use of cash for operational or investment activities. Nevertheless, the level of profitability (ROA and ROI) is relatively strong so that the company's performance can be said to be stable.
2019	272,62%	8,36%	13,52%	Liquidity remains very high despite the decline, which indicates the company's ability to meet short-term obligations. A decline in ROA and ROI indicates that expansion and asset enhancement are not fully followed by an increase in profit.
2020	206,42%	5,36%	12,55%	The COVID-19 pandemic has suppressed profits so that ROA has dropped significantly. The high Cash Ratio reflects the support of PSOs or government funds that continue to come in. Profitability is down, but liquidity is still more than enough.
2021	303,82%	3,70%	13,21%	A high Cash Ratio indicates large cash, likely due to delays in operational/investment spending or increased government support. Profitability is very low, which indicates cost pressures and a slow post-pandemic recovery.
2022	310,00%	4,64%	13,60%	Liquidity strengthened again, but still showed a cash pattern that was too large compared to operational needs. Profitability began to improve as revenue rose and passenger increased.
2023	233,90%	2,02%	12,95%	Liquidity is decreasing but still very high. ROA falling to the lowest point indicates an increase in cost of revenue, revenue, and operating expenses. A stable ROI means that the company is still able to create a return on its assets, albeit very limited.
2024	346,54%	2,62%	20,95%	A large increase in the Cash Ratio indicates the accumulation of cash or a delay in capital expenditure. ROA is still relatively low, but a significant increase in ROI indicates an increase in the effectiveness of investment/equity use or a change in revenue and cost structure. The year 2024 shows an initial improvement in terms of profitability

Source: Transjakarta, processed 2025

it also suggests that cash has not been fully utilized optimally for productive investment or service expansion.

In terms of profitability, the trend of ROA shows a fairly sharp decline from 10.93% in 2018 to only 2.02–2.62% in 2023–2024. This decline reflects increasing operating expenses, high service delivery costs, and not optimal utilization of assets in generating profits, especially in the post-pandemic recovery period. ROI, although calculated using the company's internal formula, shows a relatively stable pattern in the range of 12–13%, with a significant spike in 2024 reaching 20.95%. The increase in ROI at the end of the research period showed an improvement in the effectiveness of the company's investment or capital use, both through increased cost efficiency and an increase in operating income in line with the increase in passengers and fleet. Cost efficiency in this study refers to the company's efforts to control operating expenses, including fuel consumption, fleet maintenance costs, overtime expenses, administrative costs, route optimization, digital ticketing implementation, and operational scheduling efficiency. These measures contributed to reducing the growth of operating costs despite the increase in passenger numbers.

The results of this financial analysis indicate that Transjakarta has very strong liquidity resilience, but faces challenges in increasing profitability and asset management efficiency. The decrease in ROA throughout the study period signals the need for strategies to strengthen operations, modernize fleets, and optimize resource use. A surge in ROI in 2024 indicates opportunities for improved financial performance in the future, provided the company is able to balance between capital expenditure, cost efficiency, and improved service quality. These findings provide a holistic picture of Transjakarta's financial condition and become the basis for policy recommendations and directions for the development of public transportation BUMDs in the future.

2.3.3. The Effectiveness of the DKI Jakarta Provincial Government's Policy on Transjakarta's Financial Performance

The results of the study also show that various policies of the DKI Jakarta Provincial Government have different impacts on the dynamics of Transjakarta's financial performance. The PSO subsidy policy represents an important component in maintaining the stability of the company's operating income. The increase in PSO has consistently supported operating income, especially during the pandemic when ticket revenues have declined drastically. However, the high reliance on PSO becomes counterproductive if it is not offset by increased internal efficiency.

In addition to PSO, the Regional Capital Participation (PMD) policy was the main trigger for the increase in Transjakarta's assets, which more than doubled during the study period. Despite increasing service capacity, PMD has not been followed by a consistent improvement in financial returns. ROA remained relatively low over the study period, while ROI fluctuated and increased significantly in 2024. This shows that the investment made has not yielded adequate financial returns.

Non-farebox revenue diversification showed substantial growth and contributed to revenue diversification during 2022–2024. Non-farebox revenue revenues increased almost threefold, becoming a significant source of financial stabilization. Similarly, the transportation integration policy through JakLingko has a positive impact on increasing the number of passengers, although its contribution has not been fully reflected in increasing profitability due to high operational costs.

Green *transportation policies*, especially fleet electrification, are currently still in their early stages and have more influence on the investment cost structure. Although the initial costs are high, these policies have the potential to result in long-term cost efficiencies and greater environmental benefits.

The findings suggest that government policy interventions have produced mixed outcomes. While policies such as Public Service Obligation (PSO), revenue diversification, and transportation system integration have contributed to maintaining operating revenue and financial stability, they have not yet consistently translated into improved profitability and asset utilization. This indicates that the effectiveness of these policies varies across different dimensions of financial performance.

2.4. Discussion

The results of the study show that the dynamics of Transjakarta's financial performance during 2018–2024 cannot be separated from the context of local government policies and external challenges such as the COVID-19 pandemic. Long-term revenue growth accompanied by fluctuations in profitability illustrates that the company's success in expanding services has not been fully followed by an increase in the effectiveness of asset utilization. These findings are in line with the BUMD performance literature which confirms that public organizations with social service mandates tend to face a dilemma between financial sustainability and the achievement of public service goals [20][21].

Transjakarta's revenue growth in 2018–2024 shows the company's ability to increase service capacity and maintain user demand, especially after the integration of the transportation system through JakLingko. However, the decline in ROA and the fluctuation in ROI indicate that improvements in liquidity and operating revenue have not been consistently accompanied by stronger profitability and asset productivity. This finding implies that maintaining financial stability alone is insufficient to improve overall financial performance without corresponding improvements in operational efficiency and effective utilization of corporate assets. This illustrates the *investment-performance gap* that is often found in public companies that expand services massively. In *the theory of public value* [23], the increase in physical assets through public investment does not automatically increase public value if it is not accompanied by an increase in the efficiency of the use of these assets as also explained by [24][25].

This problem is evident in 2023 when revenue remains to increase, but net profit decreases drastically due to a 17.9% surge in cost of revenue. This finding indicates that stable operating revenue has not been consistently translated into higher profitability. This suggests that improvements in financial performance depend not only on revenue generation but also on effective cost management, efficient asset utilization, and the implementation of government policies that enhance operational efficiency. Cost pressures such as fuel and fleet maintenance are the main factors that squeeze profit margins, underscoring the operational challenges common to public transport operators [26][27][28].

Transjakarta's cash ratio has consistently been above 100% for seven years, indicating a conservative liquidity strategy. In the financial literature, a high cash position is often explained through *a precautionary motive* [29], namely the tendency of companies to store more cash in anticipation of cash flow uncertainty. This finding is particularly relevant in the context of the COVID-19 pandemic, when transportation revenues decreased drastically but Transjakarta was still able to maintain operations as an essential public service provider.

However, a cash ratio that is too high can cause *opportunity costs*, namely the potential loss of profits that should be obtained if the cash is invested in productive assets. In the context of BUMDs, cash accumulation often reflects fiscal prudence, but can also be an indication of the lack of optimal use of public funds for long-term investment [30].

The increase in Transjakarta's total assets occurred alongside Regional Capital Participation (PMD) during the study period, which jumped from Rp. 3.69 trillion in 2018 to Rp. 7.66 trillion in 2024. The analysis of Table 3 shows that ROI and ROA follow different trends. ROI dipped slightly in 2023 then increased sharply to 20.95% in 2024, indicating a much higher return on investment in the latest year. In contrast, ROA fell from 4.64% (2022) to 2.02% (2023) and recovered only to 2.62% in 2024, remaining well below its 2022 level. A declining ROA suggests that asset growth has outpaced profit growth – in other words, Transjakarta's investments expanded the asset base faster than earnings could keep up. These results mean that, despite the jump in total assets (from Rp. 3.69 trillion to Rp. 7.66 trillion), the financial returns require separate interpretation, ROI improvement points to recent efficiency or revenue gains, whereas the low ROA implies the new assets have not yet generated proportional profits. Public-sector investment literature similarly warns that building infrastructure alone does not guarantee returns – one must also track profitability on those assets.

In the context of *governance*, this can be interpreted as a challenge in *asset productivity management* in the BUMD sector. Local government investment is not yet fully connected to financial performance indicators, nor has it been accompanied by *a clear performance-based investment* mechanism. Thus, PMD has succeeded in increasing service capacity, but it has not been in line with increasing the effectiveness of asset use to generate economic value [31].

PSO subsidies represent an important component of Transjakarta's operating revenue, especially when ticket revenue declined during the pandemic. However, the high contribution of PSOs to corporate income also has implications for increasing fiscal dependence. In the context *of public finance*, over-reliance on subsidies can weaken organizational efficiency and innovation incentives [32][33]. This condition is reflected in the stagnation of profitability in some periods even though revenues continue to increase. This is in line with the *principal-agent* theory that explains how subsidies can create *moral hazards*, namely a decrease in management's motivation to improve operational efficiency due to the guarantee of funding from the government [34][35].

Among the various local government policies, diversification of *non-farebox* income is the most successful strategy in strengthening Transjakarta's financial resilience. Non-transportation revenue increased from Rp. 65.1 billion in 2022 to Rp. 221.1 billion in 2024, indicating very rapid growth. This diversification reflects a shift towards *entrepreneurial governance*, a paradigm that emphasizes creativity, innovation, and value creation through the management of public assets [36][37]. Although its contribution to total revenue is still relatively small, the strong upward trend suggests great potential to reduce reliance on PSOs in the future.

Then, the transportation integration policy through JakLingko has a positive impact on increasing the number of passengers and the efficiency of fleet use. However, the financial impact is not immediately visible as the increase in the scale of operations also increases operational costs. Similarly, the policy of transitioning to electric fleets provides long-term environmental benefits and efficiency, but requires large initial investment and affects the cost structure in the early period of implementation [38][39][40]. In the perspective *of sustainable public investment*, this policy must be assessed through a *triple bottom line framework* that includes economic, social, and environmental dimensions [41]. Therefore, its effectiveness cannot be measured solely through short-term financial ratios.

A synthesis of the research findings shows that the relationship between government policy interventions and financial performance is complex. While several policies have contributed to maintaining operational and financial stability, improvements in profitability and asset utilization depend on multiple interrelated factors rather than on any single policy measure. PSOs maintain revenue stability but can lower efficiency pressures. PMDs increase service capacity but can weaken profitability if not followed by good asset management. Income diversification creates space for financial innovation, and

integration and *green transport* policies create long-term public value even if they do not immediately increase financial ratios.

Although the transition toward electric buses requires substantial initial investment, the findings of this study suggest that the long-term financial impact should be assessed through operational efficiency rather than capital expenditure alone. Electric buses generally offer lower operating costs due to reduced fuel consumption, fewer mechanical components requiring maintenance, and lower routine servicing expenses compared with conventional diesel buses. Consequently, the electrification policy has the potential to reduce annual operating expenditures and improve cost efficiency over the vehicle's operational life.

In the context of this study, improvements in operating cost efficiency may partially explain the relatively stable financial performance despite increasing operational challenges. Nevertheless, the quantitative analysis indicates that improvements in liquidity and revenue stability have not yet been consistently followed by higher profitability, as reflected in the ROA and ROI indicators. This finding suggests that the financial benefits of electrification are likely to emerge gradually and depend on broader operational factors such as fleet utilization, passenger growth, maintenance management, and asset productivity rather than on the adoption of electric vehicles alone.

3. Conclusion

This study examined Transjakarta's financial performance and the policy context of the DKI Jakarta Provincial Government during the 2018–2024 period. The findings indicate that Transjakarta's financial performance experienced varied developments across profitability, investment-related returns, and liquidity. Although operating revenue increased from Rp 2.615 trillion in 2018 to Rp 4.474 trillion in 2024, this growth was not consistently accompanied by improvements in profitability.

Return on Assets (ROA) declined overall from 10.93% in 2018 to 2.62% in 2024, although it increased in 2022 and again in 2024 after declining in the preceding years. This pattern indicates that the company's ability to generate profit relative to its asset base weakened over the observation period, despite some recovery in the final year. Return on Investment (ROI) also fluctuated rather than following a continuous downward trend. After decreasing from 17.79% in 2018 to 12.55% in 2020, ROI varied between 12.95% and 13.60% during 2021–2023 before rising to 20.95% in 2024. This increase represents an improvement in the reported ROI indicator in the final year; however, further evidence would be required to determine its underlying drivers and whether the improvement can be sustained. Meanwhile, the Cash Ratio remained above 100% throughout the period, ranging from 206.42% to 380.50%. This indicates that cash and cash equivalents were higher than current liabilities during the observation period. Nevertheless, the ratio alone does not establish whether the company's cash holdings were optimal or whether available resources were being used efficiently.

The descriptive-evaluative review of government policies identifies several relevant patterns but does not establish the causal effectiveness of individual interventions. Public Service Obligation (PSO) funding forms an important part of the public-service financing context and supports the objective of maintaining affordable transportation services. However, the available analysis does not isolate its contribution to financial performance or quantify its implications for fiscal dependence. Regional Capital Participation (PMD) coincided with the expansion of Transjakarta's asset base, while the overall decline in ROA indicates that asset growth was not accompanied by a proportionate improvement in returns across the period. Non-farebox revenue increased from Rp 65.1 billion in 2022 to Rp 221.1 billion in 2024, indicating growing diversification of revenue sources. This trend suggests potential to strengthen revenue diversification, although its effects on overall profitability and financial resilience require further assessment. Transportation integration through JakLingko and fleet electrification also form important elements of the policy context. However, the available evidence does not permit their individual financial effects to be determined conclusively, particularly regarding long-term operating efficiency, investment costs, and profitability.

Overall, the findings indicate that revenue growth, liquidity, and policy initiatives did not translate uniformly into stronger profitability during 2018–2024. The results support continued attention to asset

utilization, operating-cost management, revenue diversification, and transparent performance monitoring. The DKI Jakarta Provincial Government and Transjakarta may strengthen the evaluation of PSO and PMD allocations by linking financial and operational indicators with service outcomes. Future assessments should also examine the financial and operational implications of transportation integration and fleet electrification using more detailed, policy-specific data. Because this study relies on secondary data and descriptive-evaluative analysis, its findings should be interpreted as observed financial trends and documentary evidence rather than proof of causal policy effects. Further research using more detailed operational data and explicit evaluation indicators is needed to assess the contribution of individual policies to Transjakarta's financial sustainability and public-service performance.

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Declarations

Author Contributions

All authors contributed equally as primary contributors to this article. All authors have read and approved the final version of the manuscript.

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Conflict of Interest

The authors declare that there are no known financial interests or personal relationships that could be perceived as having influenced the research reported in this article.

Use of Artificial Intelligence or AI-Assisted Technologies

During the preparation of this work, the authors used SciSpace to search for relevant literature (literature review). Following the use of this tool/service, the authors reviewed and edited the generated content as necessary and take full responsibility for the entire content of this publication.

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