

# Investigating Government's Land and Building Asset Management on Asset Security

Etika Kharismanita<sup>1</sup>, Sutanto Hidayat<sup>2</sup>, Lies Kurniawati  
Wulandari<sup>3</sup>

<sup>1</sup>Student, Department of Civil Engineering, National Institute of Technology, Malang, Indonesia.

<sup>2,3</sup>Senior Lecturer, Department of Civil Engineering, National Institute of Technology, Malang, Indonesia.

Date of Submission: 05-06-2023

Date of Acceptance: 16-06-2023

**ABSTRACT:** Land is one of the government's assets that often has not been certified, so it is prone to security threats, including illegal land use. This study aims to analyse the management of land and building assets in the Government of Malang Regency, as well as the impacts that occur if assets are not managed properly. Data analysis was performed using the AHP method or process hierarchy analysis. Based on the results of the analysis, the three main indicators in managing government land and building assets sequentially are asset management, inventory and procurement, each of which has a priority value of 0.178, 0.118 and 0.105. The management of the Malang Regency Government's assets has not been carried out in a balanced and ideal manner in accordance with the points contained in the Regulation of the Minister of Home Affairs No. 19 of 2016. Reporting and administration in an orderly manner is a top priority regarding efforts to safeguard local government assets. However, efforts to secure assets carried out by local governments have not been implemented optimally.

**KEYWORDS:** Asset Management, Local Government, Land, Buildings, and AHP.

## I. INTRODUCTION

The government of Malang Regency has wide administrative area; number two of the widest in East Java. Therefore, the number of land and building assets owned by the government of Malang Regency is very large and wide for the level of local government. The total land and building assets owned by the Government of Malang Regency to date are 3212 land and building assets. In 2021, the Monitoring Centre for Prevention (MCP) for the Coordination and Supervision of Corruption

Prevention found that 2274 land and building assets belonging to the Malang District Government had not been certified. Currently, the Government of Malang Regency is trying to complete the certification of land and building assets to ensure the safety of assets.

Every government's asset must be managed effectively and efficiently in order to provide benefits to the private and public sectors. The important role of asset management, both in the private and public sectors, is increasingly recognized and is not inferior to the role of financial management and human resource management. Asset management is one of the keys to successful economic management, especially in the regions [8]. Yusuf (2010) added that assets at least have economic value, commercial value, and exchange value. Management of regional property is a cycle of regional asset management that is implemented thoroughly in each regional apparatus [1]. Government assets include goods purchased or obtained from the budgeting agency, goods originating from other legal acquisitions, namely from grants, donations, from agreements obtained, from statutory provisions, and goods obtained based on legally binding court decisions. permanent law.

The main essence of asset management is the fulfillment of the principle of efficiency in which regional-owned asset management is directed to comply with the standard requirements needed to support the optimal implementation of government duties and functions. Efficiency in managing regional-owned assets is absolutely necessary because of limited government resources in the context of public services, so that the procurement of regional-owned assets that are needed must be truly appropriate and limited to what is needed with the aim of avoiding waste of regional finances. The

importance of managing assets itselfs very supportive of the success of carrying out administrative duties of an agency. In an agency there are many regional assets that must be managed properly and must be maintained.

Previous research has discussed the importance of government asset management in various regions. Lasturi and Sunaningsih (2021) examined the implementation of reporting on regional property (BMD) at the Magelang City DPRD secretariat office. It was reported that the reporting of regional property was carried out in a timely, transparent and accurate manner so that the results could be accounted for, but in practice there were still several obstacles due to errors during input, such as the wrong code of goods and classification of goods, the number of goods and the acquisition price were not same with accounting. Furthermore, Basuki (2019) examined regional asset management in Pekanbaru City, and reported that inventory was weak, where local employees were undisciplined and incompetent in recording official cars, namely related to the existence and number of official cars. Finally, Rotty et al., (2020) reviewed the accuracy of regional fixed asset reporting within the scope of the North Sulawesi Provincial Government. It was reported that the factors causing inaccurate reporting of government assets were the lack of seriousness from the leadership and management, the incompetent quality of human resources, lack of information, communication and coordination, and the non-optimal performance of the asset reporting application.

This study examines the management of land and building assets in the Government of Malang Regency, as well as the impacts that occur if assets are not managed properly. Specifically, this study aims to analyse land and building asset management, analyse the impact of asset management, and determine a good management system so that it becomes an operational standard in asset management within the Malang District Government. The research results will provide benefits to the Malang Regency government in evaluating asset management.

## II. METHOD

This study uses a quantitative method with a survey approach in collecting data. Evaluation of the management of fixed assets belonging to the Malang Regency Government was analysed using the Analytic Hierarchy Process (AHP) method, which was processed in the ExpertChoice 11

**Combined Instance - Synthesis with respect to:**  
 Goal Analysis “Dampak Manajemen Aset Tanah

program. The population of this study included 70 people in the Malang Regency government, especially in the finance, asset and regional property management staff in each regional apparatus organization. The sampling technique applied was purposive sampling, and 13 people were determined as research respondents. The sample criteria are local government employees with ownership of land and building assets of more than 20 objects, and are recorded by the Supreme Audit Agency. Related to secondary data, among them are goods inventory cards (KIB) A of the Malang Regency Government and data from the Monitoring Centre Prevention (MCP) Coordination and Supervision of Corruption Prevention reports. Furthermore, the variables of this study consist of independent variables and dependent variables. Independent variables include planning ( $X_1$ ), procurement ( $X_2$ ), inventory ( $X_3$ ), use of assets ( $X_4$ ), disposal of assets ( $X_5$ ), utilization ( $X_6$ ), administration ( $X_7$ ), appraisal ( $X_8$ ), transfer ( $X_9$ ), coaching, supervision, and control ( $X_{10}$ ). Meanwhile, the dependent variable is the security and maintenance of assets ( $Y$ ) belonging to the government of Malang Regency.

## III. RESULT AND DISCUSSION

Analysis of data processing of land and building assets belonging to the government of Malang Regency in this study was analysed using the AHP (Analytic Hierarchy Process) method. The data analysis program used is Expert Choice 11. The results of the research are described as follows:

Results of AHP Analysis Related to Main Factors	
Variable	Priority Value
Asset value	0.178
Inventory	0.118
Procurement	0.105
Asset protection	0.097
Asset management	0.096
Asset utilization	0.089
Planning	0.087
Training and Supervision	0.068
Asset examination	0.055
Asset write-off	0.055
Asset transfer	0.053

dan Bangunan terhadap Pengamanan Aset pada Pemerintah Daerah Kabupaten Malang”



### The Result of AHP Analysis Related to Item Priority

From the results of the AHP testing of 13 expert respondents, it was found that the Asset Use indicator was the main factor with a priority value of 0.178, then the Inventory indicator with a priority value of 0.118, and the Procurement indicator with a priority value of 0.105. These three factors or indicators are priority factors in land and building asset management. Next, the figure shows the results of the AHP analysis regarding item priority. Specifically, the interpretation of the analysis results for each indicator is explained as follows:

1. On the indicator of asset use, the use of assets to support tasks and functions is a top priority with a priority value of 0.770.
2. On the indicator of inventory, collecting data on assets and identifying them is a top priority with a priority value of 0.589.
3. On the indicator of procurement, land and building procurement is carried out by taking into account the feasibility study which is a top priority with a priority value of 0.589.
4. On the indicator of asset administration, property users compile reports on the authority of users of goods every semester and at the end of each year which is a top priority with a priority value of 0.390.
5. On the indicator of asset utilization, borrowing for a certain period of time without receiving compensation is a top priority with a priority value of 0.367.
6. On the indicator of planning, planning is made based on needs and based on standard prices set by the land appraisal agency, which is a top priority with a priority value of 0.607.
7. On the indicator of guidance and supervision, the goods manager carries out supervision and control through monitoring and investigation is a top priority with a priority value of 0.554.
8. On the indicator of guidance and supervision, assessing the value of increasing or decreasing assets on a regular basis is a top priority with a priority value of 1,000.
9. On the indicator of asset write-off, deleting assets on KIB if indeed assets are no longer part of wealth is a top priority with a priority value of 1,000.
10. On the indicator of transfer, making changes according to OPD needs is a top priority with a priority value of 0.379.

After carrying out a combination of indicators and items, priority can be obtained that assets used to support tasks and functions are the top priority with a priority value of 0.097, then asset data is collected and identified as the next priority with a priority value of 0.064.

Furthermore, an analysis of the impact of processing assets, land and buildings is demonstrated in table AHP Analysis on Asset Protection Indicators. In the asset security indicator, it is known that carrying out reporting and administration in an orderly manner is a top priority with a priority value

of 0.447. On the asset security indicator, the priority value obtained is 0.097 indicating that the asset security indicator has not been carried out optimally in each regional apparatus organization (OPD), resulting in findings from the Corruption Eradication Commission which shows that 2,274 land and building assets belonging to the Malang Regency Government have not been certified on behalf of Local government thus it potentially causes agrarian conflicts or disputes and can even result in loss of assets from the government.

AHP Analysis on Asset Protection Indicators		
Variable	Indicator	Priority Value
Asset protection	Securing land and building assets by installing fences	0.231
	Reporting and administration in a disciplined manner	0.447
	The assets have certificates of ownership in the name of the local government	0.322

Based on Domestic government Regulation No. 19 of 2016, indicators or matters that must be met and considered in managing government land and building assets are: planning, procurement, inventory, asset use, asset write-off, utilization, administration, appraisal, transfer handling, coaching, supervision, and control.

Based on the findings in the field, local governments need to consider several things related to asset management. Among other things, it is necessary to provide technical guidance and outreach to officials in charge of assets and property managers on a regular basis, selection of skilled human resources and high productivity who can coordinate well when working, implementation of periodic asset reporting evaluations, and provision of rewards and punishments to officials and staff in charge of asset management as motivation at work. The results of the analysis prove that asset management is still not optimal and requires overall performance improvement.

#### IV. CONCLUSION

Based on the results of the analysis, the three main indicators in managing government land and building assets sequentially are asset

management, inventory, and procurement, each of which has a priority value of 0.178, 0.118, and 0.105. The management of the Malang Regency Government's assets has not been carried out in a balanced and ideal manner in accordance with the points contained in the Minister of Home Affairs Regulation No. 19 of 2016. Reporting and administration in an orderly manner is a top priority regarding efforts to safeguard local government assets. However, efforts to secure assets carried out by local governments have not been implemented optimally.

One of the impacts of undisciplined management of land and building assets is that these assets are not certified. Currently, there are 2,274 assets that do not have certificates, so they have the potential to be lost because the legality is not maximized. This threat persists even though each asset has been recorded in the goods inventory document. In the asset security indicator, reporting and administration in an orderly manner is a top priority (priority value 0.447), but the implementation is not optimal.

In summary, the implication of this research is that government officials who are responsible for asset management need to begin regular technical guidance. Person in charge of assets should also be a person who is competent and professional, and actively coordinates. In addition, asset management evaluation needs to be carried out periodically.

#### REFERENCES

- [1]. Wicaksana, A., Harmono, H., and Yuniarti, S., 2021, "Pengaruh Inventarisasi Aset, Penggunaan Aset, Pengamanan dan Pemeliharaan Aset terhadap Optimalisasi Aset Tetap Tanah pada Pemerintah Kabupaten Malang," *Jurnal Administrasi Publik*, Vol. 6(1), pp. 1-14. (<https://doi.org/10.26905/pjiap.v6i1.5514>)
- [2]. Basuki, K., 2019, "Manajemen Aset Daerah Kota Pekanbaru: Studi Kasus Mobil Dinas," *Jurnal Online Internasional & Nasional*, Vol. 7(1). (ISSN 2502-3632)
- [3]. Giroth, L. G. J.; Warouw, F. F.; Rotty, V. N. J., and Oroh, O., 2021, "The Perception of Election Administrators in Achieving Environmentally Friendly Election in North Sulawesi Province," *Jurnal Bina Praja*, Vol. 13(2), pp. 307-317. (<https://doi.org/10.21787/jbp.13.2021.307-317>)
- [4]. Ita Kumartih, T. P. A. I. (2018). Pengaruh Sistem Pengendalian Intern Aset Tetap Terhadap Keandalan Laporan Aset Tetap



- Pada Pemerintah Kabupaten Bandung Barat. *Gastronomía Ecuatoriana y Turismo Local.*, 1(69), 5–24.
- [5]. Komang Evan Sanjaya, Made Suyana Utama. (2020). Asset management performance in the government of Jembrana Bali Regency. *International Research Journal of Management, IT & Social Sciences*, 24-35.
- [6]. Krisdiarto, Agung. (2012). *Pengelolaan Aset Tanah Milik Pemerintah Kota Semarang*. Biro Penerbit Planologi Undip, 403-411.
- [7]. Lastuti, D. H.; and Sunaningsih, S. N., 2021, "Implementasi Pelaporan Barang Milik Daerah (BMD) pada Kantor Sekretariat DPRD Kota Magelang," *Journal of Economic Management Accounting and Technology*, Vol. 4 (1), pp. 9-14. (<https://doi.org/10.32500/jematech.v4i1.1404>)
- [8]. Monika Sutri Kolinug, Ventje Ilat, Sherly Pinatik. (2015). Analisis Pengelolaan Aset Tetap pada Dinas Pendapatan Pengelolaan Keuangan dan Aset Daerah Kota Tomohon, 818-830.
- [9]. M. S. Somia Alfatih, M. Salman Leong, L.M. Hee. (2015). Definition of Engineering Asset Management. *Trans Tech Publications, Switzerland*, 773-774.
- [10]. Pemerintah Indonesia. (2016). Peraturan Menteri Dalam Negeri Nomor 19 Tahun 2016 tentang Pedoman Pengelolaan Barang Milik Daerah. Sekretariat Negara. Jakarta.
- [11]. Pratama, M.R.;and Pangayow, B.J.C., 2016, "Pengaruh Manajemen Aset terhadap Optimalisasi Pengelolaan Aset Daerah Studi pada Pemerintah Kota Jayapura," *Jurnal Akutansi & Keuangan Daerah*, Vol. 11(2), pp. 33–51.
- [12]. Purba, Rahima. (2019). Pengelolaan Aset Tetap Daerah Dalam Mengoptimalkan Pemanfaatan aset Daerah. *Jurnal Akuntansi Bisnis & Publik*, 9.
- [13]. Setiabudhi, Donna Okthalia. (2019). Pengelolaan Aset Pemerintah Daerah Dalam Perspektif Good Governance. *The Studies of SocialSciences*, 7.
- [14]. Yusuf, M., 2010, "Langkah Pengelolaan Aset Daerah Menuju Pengelolaan Keuangan Daerah Terbaik," Salemba Empat, Jakarta.