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DESCRIPTIVE ANALYSIS OF PERFORMANCE EVALUATION OF STATE-OWNED ASSETS IN SOUTH SULAWESI PROVINCE

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ABSTRACT:
In addition to saving great potential if managed properly, State-Owned Assets also saves problems related to its management. For this reason, it is necessary to evaluate the performance of State-Owned Assets so that decision making is carried out appropriately, and Management of State-Owned Assets can run optimally, so as to realize expenditure efficiency and effectiveness of state wealth management. The research method used is a descriptive method with a quantitative approach to 290 performance evaluation data, using the score card method with six performance evaluation measurement indicators, namely public interest, social benefits, user satisfaction levels, potential future use, financial feasibility, and technical conditions. The evaluation of State-Owned Assets performance in South Sulawesi Province predominantly performed well (69.66%). The evaluation results for the indicators of Public Interest, Social Benefits, User Satisfaction Level, Future Use Potential, and Technical Conditions have high scores, while Financial/Economic Feasibility indicators have low scores.

Keywords: performance, state assets, State-Owned Assets.

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INTRODUCTION

Article 1 number 10 of Law Number 1 of 2004 concerning State Treasury and Article 1 of Government Regulation Number 27 of 2014 concerning Management of State/Regional Assets states that State-Owned Assets is all goods purchased or obtained at the expense of the State Budget

or derived from other legitimate acquisitions (Number, 1 C.E.). Based on Article 2 paragraph (2) of Government Regulation Number 27 of 2014, goods derived from other legitimate acquisitions include (Suwito; Khoidin Endang; Setyadji, Sri, 2022): (a). goods obtained from grants/donations or similar; (b). goods obtained as an implementation of the agreement/contract; (c). goods obtained based on the provisions of laws and regulations; or (d). goods obtained based on a court decision that has permanent legal force.

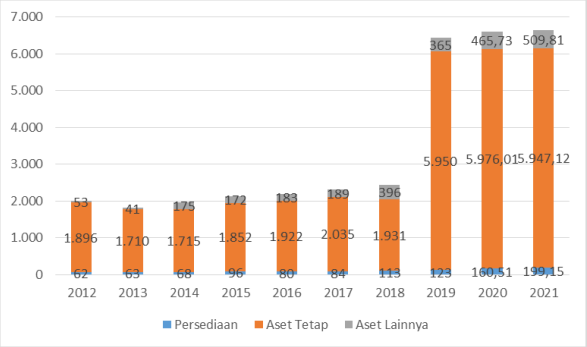
State-Owned Assets consists of (Rahmat & Rutinaias, 2020): (a). Inventory, Inventory is a current asset in the form of goods or equipment intended to support government operational activities, and goods intended to be sold and/or delivered in the context of service to the community. (b). Fixed Assets, Fixed Assets are tangible assets that have a useful life of more than 12 (twelve) months to be used in government activities or utilized by the general public. Fixed Assets consist of: Soil, Equipment and Machinery, Buildings and Buildings, Roads, Irrigation and Networks, and Other Fixed Assets. (c). Other Assets, Other Assets are government assets other than current assets, long-term investments, fixed assets, and reserve funds. Other Assets include accounts of Intangible Assets and Miscellaneous Assets

Management of State-Owned Assets as regulated in Government Regulation Number 27 of 2014 as amended by Government Regulation Number 28 of 2020 includes needs planning and budgeting, procurement, use, utilization, security and maintenance, assessment, elimination, transfer, administration, guidance, supervision and control (Hamilah et al., 2022).

From year to year, the value of State-Owned Assets is increasing. In the last 10 years, the value of State-Owned Assets has increased from Rp2,011 trillion in 2012, to Rp6,656 trillion in 2021.

Figure 1

Financial Report



Source: Financial Report of Central Government

The value of this large asset holds great potential if managed properly (Kwon et al., 2014). But behind the large value of these assets, it also stores problems related to its management, such as not being managed optimally, being used not according to duties and functions, not being used, not maintained, or controlled by other parties illegally. Decision making is also not based on State-Owned Assets performance measurement (Amile et al., 2013).

For this reason, it is necessary to evaluate the performance of State-Owned

Assets so that decision making is carried out appropriately, and Management of State-Owned Assets can run optimally, so as to realize expenditure efficiency and effectiveness of state wealth management.

The results of asset performance reports can be used as a basis for decision making to maintain assets, update, maintenance or decisions for write-off and replacement of these assets. Asset performance report information can also be used as a liaison in budgeting planning and the asset strategy development process or asset planning (Boerger, 2021).

Research to measure asset performance evaluation was previously conducted by Lavy et al (2014), namely measurements of physical, functional, financial, and user satisfaction dimensions. Physical dimensions are measured using indicators of the building's physical condition, health and safety, indoor environment quality, security and location. The dimensions used to measure the functional dimension are space utilization and space adequacy. The financial dimension can be measured by indiator operating costs, occupancy costs, utility costs, building maintenance costs, and employee costs. The dimensions of user satisfaction are measured by indicators of user satisfaction with products and services, community participation, suitability of facilities with functions (Ali & Raza, 2017). Nanang analyzed related factors that influence in measuring the performance of land and building assets of Tadulako University (Kamaru, 2019). Evaluation of asset performance of Lamb tourism facilities in Garut (Saefudin et al., 2021), evaluation of asset performance of Cirebon Mall in Cirebon City (Kustandi & Norhan, 2021), evaluation of performance of road-owned space assets on the south ring road of Sukabumi City (Fadjarwati, 2019). Azis (2022) conducted an analysis of the factors that influenced the evaluation of State-Owned Assets performance and conducted binary logistic regression modeling of State-Owned Assets in DKI Jakarta Province.

The implementation of State-Owned Assets performance evaluation is expected to identify State-Owned Assets has been used optimally or not optimally.

Literature Review

State-Owned Assets Performance Evaluation has been regulated in the Minister of Finance Decree Number 349/KM (Chiwamit et al., 2017). 6/2018 concerning Procedures for Implementing Performance Evaluation of State-Owned Assets. Based on the regulation, evaluation of State-Owned Assets performance needs to be carried out to measure State-Owned Assets performance, for further strategic steps to be made in order to efficiency, effectiveness, and optimization of State-Owned Assets management. Based on the regulation, there are 6 (six) performance evaluation measurement indicators, namely:

1. Public Interest

   Public interest can be defined as the needs, needs and interests of many people or broad goals. In the explanation of Government Regulation Number 27 of 2014, public interest is activities that

concern the interests of the nation and State, the wider community, the people/together, and/or development interests, including the activities of the central/regional government within the scope of friendly relations between the State/region and other States or international communities / institutions.

Aspects that are restricted in the Public Interest Indicators are:

a. State Secrets
b. Main tools of weapon systems
c. Forest area

2. Social benefits

Public assets are one of the resources that play an important role in the delivery of public services in the framework of the development process that is the responsibility of the government. For this reason, in the context of evaluating public assets, one method that can be used is to look at the success of the development index where the object being evaluated is located as the incarnation of social benefit indicators. The development indices are:

a. Quality of Life Index
b. Human Development Index

3. User satisfaction level

User satisfaction level indicators consist of:

a. Functionality
b. Features
c. Reliability
d. The beauty of design
e. Durability
f. Ease of getting services
g. Suitability
h. Quality of service

4. potential future uses

Dimensions used in measuring potential future use include: Asset category and asset significance.

5. Financial feasibility

Financial performance is calculated based on the dimension of how economically an asset operates, namely by calculating the comparison of total new acquisition costs, operating costs, maintenance costs and depreciation amounts compared to the rental costs of the same/comparable assets in the market.

6. Technical conditions

The technical condition aspect is the condition of assets based on the Minister of Finance Regulation Number 181 / PMK.06 / 2016 concerning the Administration of State-Owned Assets, which consists of Good, Lightly Damaged and Heavily Damaged.

The scope of State-Owned Assets performance evaluation should be carried out on all central government assets. However, currently focusing on State-Owned Assets which has a high significance for the proportion of State confidence, namely State-Owned Assets in the form of land and buildings.

Each asset performance indicator has a value/score. Each indicator consists of one or more dimensions that have their own values, and are calculated using the average method. The final score as a measure of asset performance appraisal is made in the form of a score

card which is colored green, red, and gray according to the given score limit.

RESEARCH METHODS

The research method used is a descriptive method with a quantitative approach. The data used is secondary data sourced from the Directorate General of State Assets Management, Ministry of Finance. The data consists of asset data and the value of performance evaluation results that have been carried out using the score card method which amounts to 290 State-Owned Assets data, in the form of buildings in South Sulawesi Province until 2022. There are six assessment indicators and the division of categories from each of these indicators which are determined based on the technical guidelines for State-Owned Assets performance evaluation issued by the Directorate General of State Assets Management of the Ministry of Finance number SE-3 / KN / 2019 concerning the Stages of Implementation and Mechanism for Calculating the Value of Indicators and Technical Procedures for the Implementation of Performance Measurement of State-Owned Assets.

RESULTS AND DISCUSSION

After measuring asset performance evaluation on 290 State-Owned Assets data, 28.62% performed very well, 69.66% performed well, and 1.72% performed adequately.

Table 1

Performance Evaluation

Performance	SUM	Percentage
Good	202	69,66%
Enough	5	1,72%
Excellent	83	28,62%
Grand Total	290	100,00%

So in general, the use of current assets is recommended to be maintained and maintained to provide services to the community. The top 5 assets that perform adequately are recommended to be considered for relocation.

Table 2

The evaluation results for each indicator

Indicators	Green	Gray	Red	Total
Public Interest	287		3	290
Social Benefits	171		119	290
User Satisfaction Level	281		9	290
Future Use Potential	285		5	290
Financial/Economic Feasibility	73	80	137	290
Technical Conditions	278		12	290

1. Public interest.

   In the measurement of public interest indicators, 287 units (98.97%) had the highest score, and 3 units (1.03%) had a low score. This indicates that predominantly assets are used for public services, while a small part is included in the category of defense equipment or containing elements of state secrets.

2. Social Benefits

   Social benefit indicators are reflected in the achievement of three

dimensions of performance which include: development success, community welfare level, and achievement of conformity of asset use with the duties and functions of ministries/institutions.

In general, the three subindicators showed high social benefits (58.97%) although the results were not very dominant, because 119 units (41.03%) showed low social benefits (red color).

3. User Satisfaction Level

Based on the measurement results, it is known that 96.90% have the highest score (green color) so that it can be concluded that the existence of assets meets the level of service user satisfaction.

4. Future Use Potential

Evaluation of the Future Use Potential Indicator is carried out through the analysis of two subindicators, namely the asset category dimension (which reflects the role of assets in service delivery, and the asset signification dimension (which reflects the importance or absence of an asset to the purpose of service delivery).

From the measurement results, it is known that 98.28% have the highest score (green color), which means that the function of assets is very important and closely related to the purpose of service delivery significantly.

5. Financial/Economic Feasibility

In principle, the evacuation of financial/economic feasibility indicators is influenced by the type of asset being evaluated. Income-generating assets can be analyzed through several dimensions of financial performance. As for assets that are not intended to generate income, the evaluation of their financial performance cannot be calculated (gray color).

Based on financial analysis, 47.24% of assets are low performing (in red) and only 25.17% are high performing (green), and 27.59% are immeasurable (gray). This may be natural for public assets, because in general the goal is not to generate the most optimal income, but to provide services to the community.

6. Technical Conditions

Dominantly, 95.86% of assets are in good condition (green color), and ready to be used to provide services to the community.

CONCLUSION

The evaluation of State-Owned Assets performance in South Sulawesi province predominantly performed well (69.66%). The evaluation results for indicators of Public Interest, Social Benefits, User Satisfaction Level, Future Use Potential, and Technical Conditions, have high scores. While the Financial/Economic Feasibility indicator has a low score.

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