



Management of State Owned Assets at Development Planning Agency

Imran¹, Gita Susanti²

¹Department of Public Administration, Faculty of Social and Political Sciences,
Universitas Hasanuddin, Makassar, Indonesia

*Corresponding Author: Imran
Email: imranadm26@gmail.com



Article Info

Article history:

Received 10 November 2025
Received in revised form 5
December 2025
Accepted 28 December 2025

Keywords:

Regional Government Assets
Asset Management
Good Governance
Public Sector
BAPPEDA

JEL Classification:

H83, H72, H70, M48, D73

Abstract

The management of Regional Government-Owned Assets (BMD) is an essential element in supporting the effectiveness of government administration and realizing accountable governance. This study aims to analyze the implementation of Regional Government Owned Asset management at the Regional Development Planning Agency (BAPPEDA) of Buton Regency based on Government Regulation Number 28 of 2020 and the Regulation of the Minister of Home Affairs Number 19 of 2016. This research employed a qualitative descriptive approach, with data collected through interviews, observations, and documentation. Data analysis was conducted using the interactive analysis model of Miles and Huberman, which includes data reduction, data display, and conclusion drawing. The results indicate that administratively, BMD management at BAPPEDA of Buton Regency has been implemented in accordance with applicable regulations, particularly in the aspects of planning, procurement, and asset administration. However, several obstacles remain in its implementation, especially in the aspects of asset use, utilization, security, maintenance, and supervision. Prominent issues include suboptimal needs analysis, weak recording of asset utilization, reactive maintenance practices, and the absence of clear Standard Operating Procedures and sanction mechanisms. This study concludes that although BMD management at BAPPEDA of Buton Regency has fulfilled administrative requirements, it has not fully reflected the principles of good governance, particularly accountability, effectiveness, and internal control. Therefore, strengthening internal regulations, improving employee discipline, and optimizing regional asset management systems are necessary.

Introduction

The management of Regional Government-Owned Assets (Barang Milik Daerah/BMD) is a strategic component of public governance oriented toward effectiveness, efficiency, and accountability in the public sector (Wahyuni & Rahmani, 2025). Regional government assets not only function as operational support for organizational activities but also serve as public resources that determine service quality and the success of regional development (Sembiring et al., 2023; Hidayat et al., 2023; Santa et al., 2023). Therefore, public asset management must be carried out professionally, transparently, and responsibly in accordance with the principles of good governance (Mardiasmo, 2009; Ammar et al., 2020; Kurniasari et al., 2025). International studies emphasize that weak public asset management can lead to fiscal waste, declining performance of public sector organizations, and erosion of public trust in government (Kaganova, 2012; World Bank, 2018).

From a public asset management perspective, government asset management encompasses not only recording and reporting activities but also how assets are planned, utilized, maintained,

1255

and supervised on a sustainable basis to generate maximum public value. Kaganova (2012) and the OECD (2015) stress that effective public asset management must be supported by data-driven needs planning, optimal asset utilization, strong internal control systems, and transparent and integrated reporting. Without such integration, asset management tends to remain administrative in nature and fails to contribute significantly to improvements in public organizational performance (Akula et al., 2025; Wardiyanto et al., 2025; Rosenbloom et al., 2025).

In Indonesia, the management of State/Regional Government-Owned Assets is regulated through Government Regulation Number 28 of 2020 and the Regulation of the Minister of Home Affairs Number 19 of 2016. These regulations mandate that BMD management covers the entire asset life cycle, including needs planning, budgeting, procurement, use, utilization, safeguarding, maintenance, valuation, transfer, destruction, disposal, and administration (Motulo et al., 2025; Pebriyanto & Morasa, 2025; Mohiuddin, 2025). However, various studies indicate that the implementation of these regulations at the local government level still faces numerous challenges. Halim and Kusufi (2014) argue that regional government assets are often not managed professionally, potentially resulting in budget inefficiencies and reduced reliability of regional financial statements. Mahmudi (2016) adds that weak internal control systems and low discipline among asset users are major factors contributing to the misuse of public assets.

Empirical studies at the local level also reveal relatively consistent findings. Siregar (2017) found that BMD management in regency governments generally complies with administrative requirements but remains suboptimal in terms of asset utilization and supervision. Setyawan (2021) highlighted that disorderly record-keeping, the absence of technical Standard Operating Procedures (SOPs), and weak sanction mechanisms constitute major obstacles to achieving accountable regional asset management. William (2014) emphasized that the behavior of asset users has a significant influence on the effectiveness of government asset management, particularly when not supported by clear and consistent supervision systems. An international study by Andrews and Boyne (2019) also demonstrates that excessive emphasis on administrative compliance without balancing performance accountability and internal oversight can render public asset management ineffective.

The Regional Development Planning Agency (BAPPEDA) of Buton Regency is a regional government institution with a strategic role in policy formulation, planning, and control of regional development (Jasman et al., 2025; Samsul et al., 2025; Samari et al., 2025). To perform these functions optimally, BAPPEDA requires adequate assets that are managed effectively (Warsito, 2025; Suardiyanti et al., 2025). However, preliminary observations indicate several issues in BMD management within BAPPEDA of Buton Regency, such as disorderly use of official vehicles, weak documentation of asset borrowing, suboptimal asset labeling, and discrepancies between administrative records and the physical condition of assets. These conditions suggest that asset management has not fully reflected the principles of good governance, particularly in terms of accountability and internal supervision, as also identified in previous studies (Yolanda et al., 2025; Arianto & Oktaviani, 2025; Budiharjo et al., 2025).

Although numerous previous studies have examined the management of Regional Government-Owned Assets, most have focused primarily on administrative aspects and regulatory compliance (Arif et al., 2025; Johannes et al., 2025; Suryani & Mayasari, 2025). Research that comprehensively links all stages of BMD management with the implementation of good governance principles especially accountability, transparency, effectiveness, efficiency, and internal supervision within regional agencies that play a strategic role in

development planning remains relatively limited, particularly at the regency level. Based on this research gap, this study is grounded in the assumption that BMD management at the Regional Development Planning Agency of Buton Regency has complied with applicable administrative provisions; however, in practice, it still faces various challenges in the stages of asset use, utilization, safeguarding, and supervision, resulting in the incomplete realization of good governance principles. Therefore, this study aims to comprehensively analyze the implementation of Regional Government-Owned Asset management at BAPPEDA of Buton Regency, identify inhibiting factors, and formulate improvement recommendations to enhance the effectiveness, accountability, and sustainability of regional asset governance.

Literature Theory

Public Sector Asset Management

Public sector asset management is an integral part of public financial management aimed at ensuring the optimal utilization of assets to support the performance of governmental organizations. Mardiasmo (2009) states that public assets constitute economic resources that must be managed efficiently and accountably in order to create public value. Kaganova (2012) emphasizes that public asset management should cover the entire asset life cycle, from needs planning to asset disposal. Asset management that is oriented solely toward administrative recording without continuous control and evaluation has the potential to generate fiscal inefficiencies and reduce public sector performance. The World Bank (2018) also notes that weak public asset management is one of the main causes of budgetary waste and the low quality of public service delivery.

The Concept of Regional Government-Owned Assets (BMD)

Regional Government-Owned Assets (Barang Milik Daerah/BMD) refer to all assets acquired through regional government budgets (APBD) or obtained through other lawful means. Based on Government Regulation Number 28 of 2020 and the Regulation of the Minister of Home Affairs Number 19 of 2016, BMD management encompasses needs planning, budgeting, procurement, use, utilization, safeguarding and maintenance, valuation, transfer, destruction, disposal, and asset administration. Halim and Kusufi (2014) argue that poorly managed BMD has a direct impact on the low quality of regional government financial statements and the weakening of public accountability. Mahmudi (2016) further adds that the effectiveness of BMD management is strongly influenced by the internal control system and the discipline of public officials as asset users.

Good Governance in BMD Management

Good governance is a governance paradigm that emphasizes the principles of accountability, transparency, effectiveness, efficiency, and legal certainty. In the context of public asset management, the application of good governance principles serves as a crucial instrument to prevent asset misuse and to ensure that public assets are utilized for public interests.

The OECD (2015) emphasizes that public asset management oriented toward good governance must be supported by clear operational rules, transparent reporting systems, and consistent supervision and sanction mechanisms. Andrews and Boyne (2019) argue that administrative compliance without performance accountability may result in asset management becoming merely formalistic and having limited impact on improving public sector organizational performance.

Internal Control Systems in BMD Management

Internal control systems are a key element in ensuring the accountability of Regional Government-Owned Asset management. Mahmudi (2016) explains that internal control includes the segregation of duties, clear recording procedures, continuous supervision, and the enforcement of sanctions for violations. William (2014) emphasizes that the behavior of asset users has a significant influence on the effectiveness of public asset management. Without strong internal control mechanisms, regional government assets are vulnerable to misuse, loss, and undetected damage.

Method

This research was developed as a qualitative descriptive research in order to achieve a deep insight into implementation of Regional Government-Owned Asset management in the Regional Development Planning Agency of Buton Regency. The choice of qualitative methodology is based on the fact that asset management is not a just a technical or administrative aspect; it is rather a governance process that is influenced by human agency, institutional norms and organizational routine. This methodological approach will help the study realize the empirical reality of asset management as perceived and defined by the subjects themselves and not measure the realities in numerical terms. According to Moleong and Sugiyono, qualitative inquiry has been found to be especially suited to questioning these complex phenomena within the public sector that are associated with interpretation, discretion, and contextual decision-making.

The study was conducted in BAPPEDA of Buton Regency, an institution, which fulfills a strategic role of formulation and coordination of the policy of regional development. The institutional standpoint of BAPPEDA makes the agency highly reliant on the resources in terms of assets availability and efficient management to facilitate the functions of planning, coordination, and control. The research was dedicated to the whole life cycle of Regional Government-Owned Assets as presented in Government Regulation Number 28 of 2020 and the Ministerial Regulation of the Home Affairs Number 19 of 2016. The formal implementation of all the stages of the asset management process was not only paid attention to but also the way the interaction between these stages is practiced and reflects the principles of good governance, especially accountability, effectiveness, efficiency, and internal control. The study sought to avoid a discontinuous and non-integrated approach to understanding asset management as a continuous process by addressing the issue as an interconnected process.

This investigation used both primary and secondary data in order to develop a broad description of the asset management practices. The primary data were produced based on the in-depth interviews with the informants who are directly engaged into the management and use of Regional Government-Owned Assets. Such informants were asset managers, asset treasurers and workers that utilize assets in their day to day work. The sample was chosen in a purposive way, namely, based on their position in the institution and the level of their engagement in the asset-related process, assuming that individuals closest to the process have more knowledge about the context that cannot be captured in the written form. The official documents that were acquired to get secondary data include the asset inventory records, procurement records, asset management records, internal regulations and relevant laws and policy materials that regulate the Regional Government-Owned Assets. The purpose of using the secondary data was not just to supplement findings of the interviews but also to give a normative framework on which the empirical practices would be assessed.

A combination of interviews, observation, and a review of documentation was a method used to collect data. Trying to understand the experiences, perceptions, and interpretations of asset management practices by informants, in-depth interviews examined asset management practices in challenges and informal routines that necessarily include informal models of asset management that are usually not represented in official reports. Physical condition of assets, their usage pattern as well as administration procedures implementation in the organization were directly observed. By observation, the researcher was able to notice inconsistencies between the records of assets and the on-site situation. The review of the documentation was important in reviewing the information collected through interviews and observations especially in assessing the conformity between the administrative compliance and the actual implementation. The combination of these data collection methods helped the study to understand the formal procedures as well as the daily practices of asset management.

The interactive data analysis model of Miles and Huberman was used to analyze data all through the research process. Data reduction was the initial step of analysis where raw data collected during interviews, observations and documents were carefully selected and coded and formulated into themes that relate to the stages of managing assets and principles of good governance. This was then followed by data presentation whereby the systematized data were displayed in a logical story that makes it easy to interpret and make cross-source comparisons. The last phase was to make and confirm conclusions through pattern and relationship identifying and repetitive problems in the asset management practices. During the process of the analysis, the researcher went back and forth to the data to make sure that the interpretations were made on empirical basis and not based on preconception.

Result and Discussion

Needs Planning and Budgeting of Regional Government-Owned Assets

The first and strategic step in the management of assets of the regional government is needs planning and budgeting since they dictate the utility and success of further actions involving asset management. The results show that needs planning at BAPPEDA of Buton Regency is implemented with a formal procedure of which each division provides asset proposals that are further aggregated at the General Subdivision and channeled to the Regional Financial and Asset Management Agency. Regulatorily, this procedure proves the adherence to the Government Regulation Number 28 in 2020 and the Regulation of the Minister of Home Affairs Number 19 in 2016.

Even with this compliance, the quality of needs planning is not very extensive. The planning practice is mostly based on the routine administrative process and the previous procurement history than on the assessment of the current state of assets and the real needs of the organization. Depending on the type of asset, asset proposals are usually written without thorough analysis of asset functionality or useful life. In turn, needs planning is an administrative necessity instead of a strategic tool of enhancing effectiveness and efficiency.

This condition is reflected in the experiences of informants directly involved in asset planning and utilization.

“In preparing the asset needs plan, we usually refer to proposals from previous years. There is no specific mechanism to reassess the condition of existing assets before submitting new proposals.”

From the perspective of asset users, planning is also influenced by subjective perceptions rather than objective assessments.

“Sometimes we propose new assets because we feel the existing ones are insufficient, not because there is a formal assessment showing they are no longer usable.”

The results show that the asset-needs planning at the BAPPEDA of the Buton Regency is more of an administrative compliance tool, thus it does not serve as a strategic tool of asset management. The dependence on the pattern of order of procurement in the past with minimal evaluation of the real situation of the remaining assets are a factor, which dilutes the application of the principles of effectiveness and efficiency. As a result, the issue of asset planning has not been adequately evidence-based or in terms of alignment with the present organizational requirements and this step has not best facilitated the achievement of the good governance in regional asset management.

Procurement of Regional Government-Owned Assets

Having its own procedures, BAPPEDA of Buton Regency undertakes the process of acquiring the assets owned by the regional governments in compliance with the official government procurement procedures and aligned with the Regional Financial and Asset Management Agency.

Formal investigations ensure that the procurement procedure follows the set procedures, which include developing technical specifications, recruiting the vendors, and the formal transfer of assets. These activities are characterized by a rather high level of regulatory compliance, which is administrative.

However, the results show there is a functional incongruence between the purchased assets and the real requirements of the end users of the assets. A number of assets that meet the specifications of the technical requirements are evaluated as less efficient to facilitate routine tasks in the operations. The above circumstance implies that user requirements and practicalities have not been adequately informed in procurement planning. This disparity is facilitated by a lack of involvement by the user in the specification-development phase such that the assets produced are merely administratively compliant but not functional optimums.

This issue is articulated clearly by asset users and managers.

“The procurement process follows the procedures, but the specifications are not always discussed in detail with users, so the assets sometimes do not fully support our daily tasks.”

An asset manager further acknowledged constraints in user participation during procurement planning.

“Not all users are involved in detail when preparing technical specifications, because procurement has to follow the existing planning and budgeting cycle.”

The BAPPEDA procurement process of Buton Regency has a relatively high level of adherence to the existing regulations. However, the fact that the users of assets have little input in the development of technical specifications introduces some gaps between the procured assets and organizational operational needs. This condition implies that the functional effectiveness of compliance with procedures is not guaranteed by their adherence, so the procurement activities are also not focused on its role in improving organizational performance.

Use of Regional Government-Owned Assets

The resources used in the assets of the regional government show how much the principles of asset-governance have been internalised by the users. The paper shows that the majority of assets of BAPPEDA of Buton Regency are utilized to facilitate the official functions and are

1260

officially distributed in line with the Determination of Usage Status. This means that the usage of assets has been controlled as per paper.

Nonetheless, misappropriation of assets is still evident especially in official vehicles. The fact is that it is proven that official vehicles are often engaged in non-official activities and reporting on the use is not regularly implemented. These activities indicate ineffective supervision and enforcement of usage policies, hence, undermining accountability.

An asset administrator described the difficulty of monitoring vehicle use.

“Official vehicles have been assigned, but monitoring their daily use is difficult, and reporting is not always carried out consistently.”

From the perspective of asset users, the absence of clear sanctions further reinforces non-compliant behavior.

“Because there are no clear sanctions, many people assume that using official vehicles for personal needs is not a serious issue.”

Asset-use practices in BAPPEDA of Buton Regency has shown there exist discrepancies between formal rules and the real practice of the users. Even though the status of assets usage has been administrationally established, lax supervision and unclear sanction systems have allowed some exceptions especially in the application of official vehicles. This scenario indicates that the issue of accountability has not been internalized among the users of assets and thus the existence of formal rules has not been properly backed up by appropriate internal-control systems.

Utilization of Regional Government-Owned Assets

Within BAPPEDA of Buton Regency, asset utilisation normally takes place in the form of inter-employee borrowing and is mostly applied in things that can be moved like laptops, cameras, and vehicles. This utilisation is flexible, and functional in ensuring that tasks are completed within departments.

However, the research concludes that the practice of borrowing is highly informal and is not well documented through the administration. Formal lending records are lacking which creates lapses in accountability particularly when it has been damaged or lost. This, in turn, means that internal controls are compromised, which and the responsibility of the condition of assets and their usage becomes hard to track, which increases the possibility of misuse.

One asset treasurer described the informal nature of utilization practices.

“Borrowing movable assets usually happens informally. There is no written record, as long as we know who is using the asset.”

Another informant emphasized the implications of this practice.

“If an asset is damaged or lost, it is often difficult to determine who last used it because there is no written borrowing record.”

Informal borrowing arrangements give the organization flexibility during the utilization of assets, which helps in completion of tasks. Nevertheless, the lack of official records on the borrowing of the assets weakens accountability and responsibility tracing. The practice puts individual trust higher than institutional control, thus increasing the chances of misuse, loss, or damage to assets. As a result, the principles of good governance especially internal control have not been well reflected in terms of asset utilization.

Safeguarding and Maintenance of Regional Government-Owned Assets

Protection and maintenance are essential in the protection of the longevity of the assets and integrity of the data. According to the findings, the safeguarding procedures in BAPPEDA of Buton Regency are mainly implemented by recording the administrative documents, as well as partial labeling of property physically.

The asset-management system receives asset data, which reflects the simplicity of compliance with protection requirements. Nevertheless, safeguarding measures are not uniformly implemented. Some of the older assets do not have identification marks, especially those which have been moved a number of times. This situation makes it difficult to identify assets as well as increases the possibility of differences between recorded information and the physical assets. Maintenance activities also demonstrate a reactive position in that maintenance is normally done after the assets are damaged.

These practices are acknowledged by informants.

“Many of the older assets no longer have labels, especially those that have been moved several times. This makes it difficult to identify them accurately.”

Another informant highlighted the absence of preventive maintenance.

“Maintenance is generally carried out after assets are damaged. There is no regular schedule for preventive maintenance.”

Protection and maintenance procedures at BAPPEDA of Buton Regency are basic administrative compliance like recording and partial physical labeling of assets. The lack of consistency in the labeling and predominance of reactive maintenance is one sign that asset management is not aimed at the long-term value of the asset. This state of affairs can hasten the process of assets degradation and raise the expenses of the future maintenance, so that the rules of effectiveness and efficiency can be not fully implemented at this step of the assets management.

Valuation, Transfer, and Disposal of Regional Government-Owned Assets

The valuation, transfer and disposal are important steps in keeping proper and clear records of assets. The results show that the value of assets at BAPPEDA of Buton Regency is heavily dependent on the aspects of acquisition costs recorded in procurement files. Although this method will meet the basic administrative needs, it does not consider the alteration in the asset condition with time.

There is very little transfer and disposal done even of assets that have stopped functioning. This resistance is to a great extent due to the perceived difficulty of administrative procedures and coordination requirements. Therefore, outdated assets are often kept in active catalogue.

An asset administrator explained this situation.

“Disposal is rarely carried out because the process is considered complicated and requires coordination with many parties.”

Another informant noted the limitations of valuation practices.

“Assets are still recorded at their acquisition value, even though their condition has significantly declined.”

Asset valuation practices where the acquisition cost is mainly used without considering the current state of assets reveal weaknesses in reporting transparency and accuracy of data. The

fact that there is only slight use of asset-transfer and disposal of non-functional assets indicates the structural and administrative obstacles of assets management. This means that the old assets will still be included in the asset registry, and the information about assets will be less reliable to use in decision-making and which is the case implies that accountability and transparency are yet to be attained in full in this stage of asset management.

Administration and Supervision of Regional Government-Owned Assets

The Regional Government-Owned Asset Management Information System helps in the asset recording and reporting of BAPPEDA of Buton Regency, which serves to administer its assets. This system has enhanced the orderliness in the administration and enhanced accountability requirements.

However, late reporting and weak user discipline limits the efficiency of asset administration. Alterations in the condition or location of the assets are not always reported and therefore inaccuracies between the reported data and the actual conditions arise.

An asset administrator acknowledged this limitation.

“Asset data in the system depend on reports from users. If changes are not reported, the information does not reflect actual conditions.”

Internal supervision of asset management remains weak and largely administrative. Physical inspections are not conducted regularly, and sanctions for non-compliance are unclear or inconsistently applied.

One informant described the limitations of supervision.

“Supervision mainly focuses on administrative checks. Physical inspections are not conducted regularly.”

Asset-management information system has also helped in enhancing administrative order and reporting in BAPPEDA of Buton Regency. However, it has a limited capacity to perform due to poor adherence by the user and physical surveillance. Supervision is more of an administrative nature and it is not always accompanied with the enforcement mechanism and clear sanctions. As a result, though an administrative system is available, the issue of accountability and internal control is yet to be institutionalized in practices of asset-management.

The empirical data included as a result of this study shows that the stewardship of the Regional Government Owned Assets in BAPPEDA, Buton Regency, is actually representative of a wider phenomenon that is actually recurrently noted in modern literature on the subject of asset management within the public sector: that of both formal compliance with regulations and substantive governance restriction. Although asset-management procedures are conducted according to current regulations, their operationalization is restricted by routine administrative procedures, the lack of analytical strength and internal control. This situation indicates that the regulatory structures alone cannot ensure a proper governance of the assets without the subsequent construction of institutional capacity and organizational discipline.

The partial failure of the needs planning that was apparent in the current research study is consistent with the recent empirical studies, which highlight the propensity of the asset planning undertaken by the public sector to focus more on procedural completion as opposed to the strategic analysis. The research in different local governments in Indonesia illustrates that asset planning is often based on the past trends instead of the systematic analysis of the asset state and the service demand, which leads to the conclusion that repetitive procurement

and ineffective distribution of resources (Pramalegawa et al., 2025; Ajam et al., 2025). This observation is backed by international studies that ideally, needs-based planning requires credible asset inventories and lifecycle information to act as strategic tool and not as an administrative activity (Shahrivar et al., 2025; Francis et al., 2025). The result of this study supports the view that in situations where planning is based more on habit and precedent, the role played by this in terms of effectiveness and efficiency is minimal.

The weakness in planning, which has been found in this study, has its direct implications on procurement outcomes. The fact that the purchased assets do not correlate with the needs of users, as the data points, is an indicator of a governance issue that has seen a lot of coverage in the recent literature. Studies by Andrews and Boyne (2020) posit that procedural compliance in the procurement process does not necessarily result in increased performances in cases where the participation of the users is low. This was also found to be true by Setiawan et al. (2023), who concluded that extended minimal participation of asset users in the development of the specification, in most cases, leads to assets that are formally agreeable but operationally inefficient. The current results can substantiate these points by showing that the efficiency of procurements requires compliance with regulations and functional requirements to be properly integrated.

In addition to the planning and procurement, the asset-use practices, which were observed in this study, emphasize the central role of behavioral factors in the governance of public assets. Lack of consistent sanctions, usage rules that are poorly enforced implies that internal control mechanisms are not institutionalized. The recent research on the problem of governance in the public sector focuses on the fact that accountability is defined not only by formal regulations but also by organizational norms and enforcement practices (Mahmudi, 2021; Aryanto and Santoso, 2022). As long as supervision is mostly administrative and does not include reference to daily practices, deviations in the use of assets are normalized. This point of view is supported by the results of this research as they demonstrate the role of restricted supervision in the tolerance of non-compliance.

The informal practices of utilization that are included in this research also characterize the conflict between operational flexibility and accountability. Although informal arrangements of borrowing help complete the tasks, it is due to lack of documentation that traceability and responsibility are compromised. Such a dilemma has become a popular topic in recent asset-management research, which argues that informal practices tend to be adaptive reactions to inflexible procedures but ultimately undermine the governance performance (Lubis et al., 2024). Wahyuni and Rahmani (2021) observed similar tendencies as they concluded that the utilization of undocumented assets makes it harder to trace the use of assets and exposes one to the risk of losing the assets. The current research paper contributes to this argument through provision of empirical evidence indicating how institutional control is replaced by personal trust.

Safeguarding and maintenance procedures within the scope of this research are of a reactive orientation which has been described in recent literature on the subject of public-asset-management. According to the studies of World Bank scholars, the value of preventive maintenance is one of the key ideas to maintain the value of assets and reduce the costs in the long-term perspective, yet it is still not prioritized in most local governments concerning the budget and the lack of planning (Kaganova and Telgarsky, 2020). The research within the Indonesian context also states that maintenance is usually postponed until after the damage to assets has been done, resulting in a faster depreciation rate, and absence of services (Tutu

et al., 2023). This study findings correlate with the observations and emphasize the necessity of the transition between the reactive and preventive asset management.

Any issues relating to valuation, transfer and disposal process also highlight systemic weaknesses in the governance of assets. According to the recent studies, it happens that the unwillingness to roll out disposal procedures is often caused by administrative complexity and fear of audit risk, which makes outdated assets stay on the books and alters financial statements (Halim and Kusufi, 2021; Usman et al., 2022). This worry is supported by the results of this research, which indicated that the value of assets is seldom reviewed to indicate the true state of affairs. This habit compromises on transparency and reduces the utility of asset data in decision making.

The information systems play the role of administration of assets as both an opportunity and a constraint arise. Although asset-management systems enhance documentation and reporting, they are very dependent on compliance and accuracy of data entered by the user. Recent research on digital governance has discussed that technology cannot solely decide the issues of governance without favorable organizational culture and accountability systems (Toha et al., 2023; Setiawan et al., 2024). This argument is supported in this study since it reveals that weak discipline and delayed reporting lowers the trustworthiness of asset data, in spite of the existence of an information system.

This study has established that the issues of BMD management at BAPPEDA, Buton Regency, are not localized but rather a structural trend that has been experienced in the management of the assets owned by the public. It is stated that the regulatory compliance, institutional capacity, and the governance culture are crucial factors of asset-management performance (Kaganova, 2020; Andrews, 2021; Lubis et al., 2024). The research is useful in the literature because it gives context-specific empirical research that demonstrates the dynamics at the organizational level.

The study builds on the current studies by proving that to enhance asset governance, regulatory alignment is not all that is needed. It requires the reinforcement of analytical skills in planning, improvement of involvement of users in procurement, entrenching of supervision systems and the culture of accountability. Placing its results in the context of recent empirical and theoretical debates, this research supports the argument that the key issue of effective governance of the public assets is not a technical one, but a governance challenge.

Conclusion

This study concludes that the management of Regional Government-Owned Assets at the Regional Development Planning Agency of Buton Regency has generally been implemented in accordance with applicable laws and regulations, particularly Government Regulation Number 28 of 2020 and the Regulation of the Minister of Home Affairs Number 19 of 2016. Administratively, asset management stages such as planning, procurement, administration, and reporting have been carried out properly. However, the effectiveness of implementation has not been evenly achieved across all stages of asset management. Weaknesses are still evident, particularly in asset utilization, supervision, internal control, and asset maintenance. Needs planning has not been fully based on comprehensive needs analysis and up-to-date asset data, while asset utilization is still characterized by weak documentation and low accountability. In addition, asset maintenance tends to be reactive, and internal supervision is not supported by detailed Standard Operating Procedures or clear sanction mechanisms. These conditions indicate that although administrative compliance has been achieved, the implementation of

good governance principles especially accountability, effectiveness, and internal control has not yet been fully realized.

Therefore, it is recommended that BAPPEDA of Buton Regency strengthen internal regulations through the development of detailed Standard Operating Procedures related to asset utilization and supervision, enhance employee discipline and awareness in asset reporting and usage, implement preventive maintenance programs, and strengthen coordination with the Regional Financial and Asset Management Agency through the integration of asset information systems in order to achieve more effective, accountable, and sustainable asset management.

Acknowledgments

The author expresses sincere gratitude to the Regional Development Planning Agency of Buton Regency for the permission and support provided, which enabled this research to be conducted successfully. Appreciation is also extended to the Regional Financial and Asset Management Agency of Buton Regency for its technical assistance and for providing data related to the management of Regional Government-Owned Assets. In addition, the author would like to thank all respondents and employees within the BAPPEDA of Buton Regency who participated and provided valuable information during the data collection process. The support and cooperation of these various parties contributed significantly to the completion of this study.

References

- Ajam, T. (2025). Supply chain management administrative burdens: A case study of five South African municipalities. *Journal of Local Government Research and Innovation*, 6, 206.
- Akula, D. K., Mohammed, Y. S., Syed, A., Haque, G. M. M., & Arafat, Y. (2025). The Role of Information Systems in Enhancing Strategic Decision Making: A Review and Future Directions. *Emerging Frontiers Library for The American Journal of Management and Economics Innovations*, 7(8), 80-105.
- Ammar, K., Noor, M., & Rafidah, S. (2020). Good governance in public asset management. *Journal of Public Administration*, 12(2), 45–58.
- Andrews, R., & Boyne, G. A. (2019). Public management reform and performance: The impact of governance arrangements. *Public Administration Review*, 79(3), 363–374. <https://doi.org/10.1111/puar.13000>
- Arianto, B., & Oktaviani, T. (2025). Transparency and accountability in bribery prevention in village fund governance based on citizenship behavior. *Journal of Accounting and Investment*, 26(1), 335-359. <https://doi.org/10.18196/jai.v26i1.20840>
- Arif, M. R., Kassim, M., Alina, A., Omsa, S., Triana, D., & Danduru, A. F. (2025). IDENTIFYING GOVERNANCE CONTEXTUAL DIMENSIONS IN INDONESIA REGIONAL GOVERNMENT-OWNED ENTERPRISES. *Eastern-European Journal of Enterprise Technologies*, 133(13). <https://doi.org/10.15587/1729-4061.2025.318560>
- Budiharjo, R., Pratomo, D., & Hapsari, D. W. (2025). Local Government Financial Performance: Good Governance, the Effectiveness Internal Control and Competence. *JMKSP (Jurnal Manajemen, Kepemimpinan, dan Supervisi Pendidikan)*, 10(1), 125-138. <https://doi.org/10.31851/jmksp.v10i1.16916>
- Francis, A., Padmanabhan, V., & Thomas, A. (2025). A life cycle assessment–based case study analysis of the sustainability of “vernacular” versus contemporary construction

- techniques. *Engineering, Construction and Architectural Management*, 32(9), 6187-6212. <https://doi.org/10.1108/ECAM-12-2023-1255>
- Halim, A., & Kusufi, M. S. (2014). Akuntansi sektor publik. Jakarta: Salemba Empat.
- Hidayat, R., Milanie, F. M., Nuraini, C., Azhari, I., & Sugiarto, A. (2023). Success Factors in Managing Wastewater Infrastructure through Community Participation (Case Study: Wastewater Infrastructure in Residential Areas of Medan Deli Subdistrict, Medan). *International Journal Paper Advance and Scientific Review*, 4(4), 26-44. <https://doi.org/10.47667/ijpasr.v4i4.256>
- Jasman, A., Yulianto, Y., & Kartika, T. (2025). The Role of Bappeda in Regional Development Planning and Policies. *Journal of Social Science (JoSS)*, 4(7), 486-508. <https://doi.org/10.57185/joss.v4i7.474>
- Johannes, F. N., Hendriks, C., & Maramura, T. C. (2025). Corporate governance implementation: a key instrument for effective administration and management of state-owned enterprises—a scoping review. *Frontiers in Political Science*, 7, 1511708. <https://doi.org/10.3389/fpos.2025.1511708>
- Kaganova, O. (2012). Improving public asset management in emerging economies. Washington, DC: Urban Institute Press.
- Kurniasari, P., Rindani, A., Wulandary, S., Andriesgo, J., & Rasyidi, A. (2025). IMPLEMENTATION OF TRANSPARENT AND ACCOUNTABLE PRINCIPLES IN SCHOOL FINANCIAL MANAGEMENT. *International Journal of Multidisciplinary Reseach*, 1(2), 136-150.
- Mahmudi. (2016). Manajemen kinerja sektor publik. Yogyakarta: UPP STIM YKPN.
- Mardiasmo. (2009). Akuntansi sektor publik. Yogyakarta: Andi.
- Mohiuddin, A. (2025). Transforming Public Service Delivery through E-Governance Policy Analysis and Future Directions for Digital Bangladesh. *Transforming Public Service Delivery through E-Governance Policy Analysis and Future Directions for Digital Bangladesh*.
- Motulo, K. K., Masengi, E. E., & Wawointana, T. (2025). Management of Regional Assets at the Regional Finance and Asset Agency Office of North Minahasa Regency. *International Journal of Information Technology and Education*, 4(3), 74-80.
- OECD. (2015). Public governance of infrastructure investment: Turning principles into practice. Paris: OECD Publishing. <https://doi.org/10.1787/9789264248106-en>
- Pebriyanto, F., & Morasa, J. (2025). Analysis of State-Owned Asset Administration at the North Sulawesi Regional Police. *EKOMA: Jurnal Ekonomi, Manajemen, Akuntansi*, 4(3), 5031-5045. <https://doi.org/10.56799/ekoma.v4i3.8144>
- Peraturan Menteri Dalam Negeri Republik Indonesia Nomor 19 Tahun 2016 tentang Pedoman Pengelolaan Barang Milik Daerah.
- Peraturan Pemerintah Republik Indonesia Nomor 28 Tahun 2020 tentang Pengelolaan Barang Milik Negara/Daerah.
- Pramalegawa, I. K. A., Kasiani, K., & Kencanawati, A. A. M. (2025). Analysis of office supply management and disbursement system to enhance efficiency at PT API. *Journal of*

Commerce, Management, and Tourism Studies, 4(2), 377-391.
<https://doi.org/10.58881/jcmts.v4i2.374>

- Rosenbloom, D. H., Huang, I. Y. F., & Gong, Y. (2025). Inclusive Performance Management: Four Dimensions. *The American Review of Public Administration*, 02750740251340064. <https://doi.org/10.1177/02750740251340064>
- Samari, B., Palilati, A., Zaid, S., & Sukotjo, E. (2025). Sustainable Tourism Competitiveness Enhancement Model in North Buton Regency. *Architecture Image Studies*, 6(4), 1550-1558. <https://doi.org/10.62754/ais.v6i4.797>
- Samsul, S., Satria, E., Putra, L. R. Z., Rahmatul, M., & Suntjungi, M. (2025). The Urgency of Updating Buton Regency's RTRW to Support Sustainable Tourism Development: Bahasa Indonesia. *Dialogia Iuridica*, 17(1), 061-081. <https://doi.org/10.28932/di.v17i1.11288>
- Santa, R., Sanz, C. M., Tegethoff, T., & Cayon, E. (2023). The impact of emotional intelligence, cross-functional teams and interorganizational networks on operational effectiveness. *Journal of Organizational Effectiveness: People and Performance*, 10(3), 313-329. <https://doi.org/10.1108/JOEPP-03-2022-0069>
- Sembiring, R. I., Bukit, R. B., & Abubakar, E. (2023). Factors Affecting the Ability of Asset Management in Regional Development Organizations in the Government of North Sumatra. *International Journal of Research and Review*, 10(3), 441-451.
- Setyawan, A. (2021). Evaluasi pengendalian aset pada organisasi perangkat daerah pemerintah kabupaten. *Jurnal Manajemen Publik*, 9(2), 112-125.
- Shahrivar, F., Sidiq, A., Mahmoodian, M., Jayasinghe, S., Sun, Z., & Setunge, S. (2025). AI-based bridge maintenance management: a comprehensive review. *Artificial Intelligence Review*, 58(5), 135. <https://doi.org/10.1007/s10462-025-11144-7>
- Siregar, H. (2017). Analisis pengelolaan barang milik daerah pada pemerintah kabupaten. *Jurnal Administrasi Publik*, 8(1), 23-35.
- Suardiyanti, N. L. P., Aripin, S., & Widnyani, I. A. P. S. (2025). Implementation of Local Government Information System in Improving the Quality of Development Planning in Jembrana Regency, Indonesia. *Golden Ratio of Social Science and Education*, 5(1), 191-201. <https://doi.org/10.52970/grsse.v5i1.1198>
- Suryani, Y., & Mayasari, I. (2025). Analysis of Factors Influencing the Implementation of the Ministry of Public Works and Housing's State-Owned Assets Grant Policy to Regional Governments. *Journal La Sociale*, 6(4), 1138-1149. <https://doi.org/10.37899/journal-la-sociale.v6i4.2185>
- Wahyuni, E. S., & Rahmani, N. (2025). Fixed Asset Management: The Role of Regional Asset Information Systems in the Utilization of Unused Assets in the Local Government of Bengkalis Regency. *E-Jurnal Akuntansi*, 35(11).
- Wardiyanto, B., Setijanigrum, E., Samad, S., & Kandar, A. H. (2025). Mending the mismatch of minds and mandates: reimagining competency-centric public service delivery in Bojonegoro Regency, Indonesia. *Cogent Business & Management*, 12(1), 2442538. <https://doi.org/10.1080/23311975.2024.2442538>

- Warsito, A. (2025). Evaluation of the asset manager paradigm in the management of regional property (BMD): A study of the regional government of Yogyakarta Special Region (DIY). *Jurnal Bina Praja*, 17(1), 89-102.
- William, E. E. (2014). Analisis pengelolaan barang milik negara dalam meningkatkan akuntabilitas publik. *Jurnal Administrasi Negara*, 6(2), 89–102.
- World Bank. (2018). Public asset management framework. Washington, DC: World Bank Group.
- Yolanda, N., Silitongga, J. E., Izzati, D., & Maisyarah, R. (2025). Literature Review: The Effect of Corporate Governance and its Impact on Sustainability Performance. *Jurnal Akuntansi, Manajemen, dan Perencanaan Kebijakan*, 2(3), 13-13. <https://doi.org/10.47134/jampk.v2i3.666>