

## Fixed Assets Management Strategies For Official Vehicles In Riau Islands Provincial Government

Salman Al Farisi<sup>1</sup>, A. Faroby Falatehan<sup>2</sup>, Dwi Rachmina<sup>3</sup>

<sup>1,2,3</sup>Regional Development Managemen, School PostGraduate, Bogor Agricultural Institute, Bogor, Indonesia

Article Info	ABSTRACT
<p><b>Keywords:</b> official vehicles, gap analysis, IFE, EFE, SWOT analysis.</p>	<p>The objectives of this research are: 1) to analyze and evaluate the management of official vehicle fixed assets in Riau Islands Provincial Government; 2) to examine the internal and external factors influencing the management of these assets; and 3) to develop strategies for improving the management of official vehicle fixed assets in Riau Islands Provincial Government. The selected respondents were the user goods managers or assistant goods managers in regional apparatuses responsible for carrying out the administrative functions of regional property management (BMD) at the goods management level. In addition, policymakers in the Inspectorate and the Regional Financial and Asset Management Agency (BPKAD) of Riau Islands Province were the respondents to formulate policy strategies. The gap analysis results were divided into planning, implementation, as well as supervision and control. The highest gap in planning was presented in the Regional Government Budget Proposal (RKMBD), the availability of regional property in the user environment, and the preparation of proposals for the disposal of regional property, with a gap score of 0,11-0,15. Furthermore, the highest gap in implementation is in the range of 0,59-1,63. The issues with the highest gap are shown in the variables of using official vehicles for non-official purposes, ownership of official vehicles that do not comply with regulations, and the administration of borrowing official vehicles. The supervision and control section variables show gaps in user monitoring with a gap score of 0,07. Identifying critical external and internal factors is the initial step in formulating alternative strategies to address the existing issues in the SWOT analysis input process. In the internal factor analysis, policies supporting the management of official vehicles by Riau Islands Provincial Government received the highest score. In contrast, the weakness factor, namely the lack of a sustainable official vehicle monitoring system, received the lowest score. According to the analysis, the external factor (opportunities) received the highest score, followed by the increased accessibility of vehicle monitoring technology and the sanctions imposed by BPKAD on regional apparatuses that fail to reconcile assets. The external factor (threats) received the highest score, followed by the low compliance of regional apparatuses with applicable regulations.</p>
<p>This is an open access article under the <a href="#">CC BY-NC</a> license</p> 	<p><b>Corresponding Author:</b> Salman Al Farisi Bogor Agricultural Institute <a href="mailto:salman.faradiba@gmail.com">salman.faradiba@gmail.com</a></p>

## INTRODUCTION

Asset management, within the framework of public organizations such as central and regional governments, is basically one component of government financial management (Lima et al., 2021; Tjondro & Permata, 2019). An effective and efficient asset management system is a determining factor in the success of government financial management (Barus & Guchi, 2023; Hughes et al., 2013; Putri & Aswar, 2022). Therefore, it is crucial for regional governments to have the ability to manage their current assets effectively (Brown, 2017; Wanarni, 2020). In addition, global recognition of asset management frameworks in local governments in the public sector highlights the importance of these frameworks. However, its implementation is very complicated due to the many challenges associated with managing public sector assets (Adriana & Ritonga, 2018; Atmadja et al., 2024; Ohaka et al., 2016; Rusli Tanjung et al., 2018). Efficient and organized regional asset management in SKPD has a great influence on overall regional asset management (Dittenhofer, 2001; Park & Maher, 2020; Phusavat et al., 2010; Suwanda, 2020).

According to Usnidar *et al.* (2020), regional asset administration is often inadequate due to a lack of optimal asset management skills among regional officials and officials. Due to insufficient asset management system capabilities, most physical products do not receive item registration numbers, resulting in difficulties in their identification. The register number is one component of the regional asset codification system. This includes the serial number assigned to each item, documentation of similar items, and the year the item was acquired. This syndrome also causes unexplained loss of regional properties. In addition, lack of supervision from internal stakeholders can hinder the optimal functioning of asset management (András et al., 2021; Nainggolan et al., 2022). Efficient and effective management of official vehicles is relatively important for regional assets. Official vehicles refer to vehicles owned by the Regional Government and used specifically for official needs. In 2022, there were several problems with official vehicle assets in regional governments throughout Indonesia, one of which is deviations from regional policies regarding Regional Property/*BMD* regulations, especially maintenance of official vehicles (Yatun *et al.*, 2022). Moreover, the Financial Audit Body/*BPK* found that there were 104.55 billion Rupiah worth of official vehicles whose whereabouts were unknown in 2023, and there were still *BPKBs* owned by the regional government not in the name of the regional government that recorded the vehicles (Yatun *et al.*, 2023).

Riau Islands Provincial Government is an archipelagic province with 7 (seven) districts/cities connected by the sea. The condition of these separate land areas makes it difficult to monitor and secure assets, especially movable assets. In addition, the quantity of motorized vehicles that are assets of Riau Islands Province has also increased in line with the ever-increasing realization of motor vehicle spending. Until the 2022 Fiscal Year, the *BPK*'s opinion on the Riau Islands Province *LKPD* is Reasonable Without Exceptions, generally abbreviated as *WTP*. Then, based on the Budget Realization Report for Fiscal 2022, realized motor vehicle capital expenditure is 1.50% of realized capital expenditure by IDR 8.254.916.650,00 from IDR 551.097.869.368,04. However, with the *WTP* opinion and the

small percentage of expenditure, there are still findings regarding official vehicle assets which are quite risky for regional asset governance.

Many regional governments experience problems regarding asset management (Gavrikova et al., 2020; Maletič et al., 2023; McMahan et al., 2020; Vilarinho et al., 2023). West Lombok's PAD receives a large amount of its income from tax revenues. Furthermore, there is income generated from the administration of separate regional assets, which is then followed by regional levies and other legitimate sources of income. Land rental issues in this sector often occur in several locations and show similar trends. According to Lubis and Hasibuan (2022), Fixed Asset Management is carried out in accordance with related regulations, namely PP No. 27 of 2014 concerning Fixed Asset Management and Minister of Home Affairs Regulation No. 19 of 2016 concerning Management of Regional Property. Once the importance of handling fixed assets has been verified. (Maharani *et al.* 2020) in their research found that the Lampung Provincial Government Equipment Bureau faced challenges in managing its assets. One of the main obstacles is that there are officials who change assignments but continue to use vehicles from their previous location, resulting in a disorganized administration process for registering official vehicles. The Lampung Provincial Government did not carry out adequate supervision of the assets in its official vehicles during the distribution process, and this is a violation of the relevant laws and regulations. In fact, the distribution of official vehicles within the Lampung Provincial Government currently does not meet the standardization requirements contained in Lampung Gubernatorial Regulation No. 26 of 2017 concerning standardization of goods requirements and BMD of the Lampung Provincial Government.

Regional Property/BMD management problems that often occur as described above and in every regional government are apparently due to the BMD management rules not being properly implemented which results in weak procurement of goods, misuse of BMD that is not in accordance with its intended purpose, the absence of administrative security for BMD so that it is easily lost and stolen. Besides, inadequate maintenance and control of goods by retired officials, delays in reporting on BMD management by SKPD and inadequate performance and competence of human resources in managing BMD. Efficient management of fixed assets is critical to producing accurate financial reports. This process relies heavily on comprehensive documentation as the basis for each regional property management cycle, in line with relevant laws and regulations. There have been a number of revisions to regulations related to fixed asset management. Provisions regarding asset management are currently provided in Government Regulation/PP No. 27 of 2014 which regulates BMD/state management. This regulation was then supplemented by Minister of Home Affairs Regulation No. 19 of 2016 which provides guidelines for BMD management. Based on this literature, this research aims to determine the condition of official vehicle fixed asset management in Riau Islands Provincial Government.

## METHODS

The research was carried out at Riau Islands Provincial Government, specifically at the Government Service which has been appointed as the coordinator for managing official

vehicle assets in the Riau Islands Provincial Government. Research was started from January 2024 to March 2024. The method used to select samples in this research was the purposive sampling method (Sugiyono, 2019). The selected respondent was a user goods administrator/auxiliary goods administrator at a regional apparatus who was tasked with carrying out BMD administration functions for goods managers. Respondents to formulate policy strategies are Echelon II and III level officials or experts in regional asset management. Respondents to the formulation of the policy strategy were policy makers at the Inspectorate and the Regional Financial and Asset Management Agency of Riau Islands provincial government. The types of data used in this research were primary and secondary data. Primary data was obtained by interviews and distributing questionnaires. Meanwhile, secondary data was used to obtain secondary data sourced from literature studies and analysis of related literature. Data collection techniques were through questionnaires, interviews, literature, and observation studies. The data analysis method was done using KGap Analysis, IFE and EFE analyses, and the SWOT Matrix.

## RESULTS AND DISCUSSION

### Gap Analysis for Management of Fixed Assets for Service Vehicles

Gap analysis begins by comparing the average value of perceived and expected values. The results of the gap analysis explain respondents' perceptions of the asset management realization compared to the expected conditions or in accordance with Permendagri Number 19 of 2016. There were three sub-sections of the gap analysis implementation: planning, implementation, as well as supervision and control.

#### Planning

Based on the results of data processing on questionnaires and interviews, the answers were obtained for each stage of management of fixed assets for official vehicles. The Property User's Attorney prepares a RKBMD proposal for the procurement of goods which will be submitted to the Property User no later than the 2nd week of May, then the Property User reviews the Regional Housing Needs Plan/RKBMD document that has been prepared by involving the Property User Administration Officer to review the correctness of the RKBMD proposal. The review of the RKBMD document was carried out to ensure the correctness of the input data for preparing the RKBMD by considering the suitability of the planning program and standards, and the availability of goods in the Property User's environment. The review results of the proposed RKBMD document were used by Property Users as a reference in preparing the RKBMD for BMD procurement for regional apparatus. The BMD needs plan includes plans for procurement, maintenance, utilization, transfer, and disposal of official vehicle fixed assets. RKBMD documents have generally been prepared by the Regional Apparatus of the Riau Islands Province. A tiered planning system can act as an internal control tool, where a good control process occurred from the beginning of the planning process.

An obstacle that still occurred in the planning process was regional officials who did not complete the RKBMD and submit it in a timely manner. This needs to be remembered as submitting it in a timely manner is very important to recognize the procurement budget required in preparing the state budget/APBD. Based on the results of the interview with the

Head of the Regional Property Management Division, it was explained that the Regional Apparatus has prepared the RKBMD, but there are several things that need to be done in the future, such as evaluating the prepared RKBMD, the need of same perception of all Regional Apparatus so that the preparation of the RKBMD can be consistent and considered to the applicable rules.

### **Implementation**

The process of destroying and writing off assets begins with a proposal from Property Users to the Governor, destroying and writing off regional assets or goods, which are within the scope of the main tasks that can be carried out by Property Managers and Property Users after obtaining approval from the Governor. The letter of approval for the destruction of regional property contains the Governor's approval of the request for the destruction of regional property. Asset destruction activities were reported in the Minutes of Destruction and carried out no more than one month after the issuance of the destruction approval letter. The current condition for the destruction of fixed assets for official vehicles in the Riau Islands Provincial Government is that the Property User has submitted a request for asset destruction to the Governor through the Property Manager (Regional Secretary). However, BKAD has the authority to destroy goods, not property users or regional officials. BKAD exercised the authority of Property Managers and Property Users in destroying assets. There is a condition that the period for issuing the Governor's approval letter does not have a clear time period. This condition causes official vehicles that will be destroyed to not be looked after properly because several Regional Apparatuses do not have a special place to accommodate seriously damaged official vehicles, so that damaged assets are increasingly neglected.

Regional asset of write-off activities have been regulated in Riau Islands Governor Regulation Number 3 of 2019, which is used as a guideline for asset write-offs in Riau Islands Provincial Government. The Governor has given several authorities to the Regional Secretary and Head of BKAD to process applications, issue write-off letters for several assets, and initiate the process of writing off assets. However, for land, building and motor vehicle assets, the authority to issue a write-off decision rests with the Governor.

Inventory assets that have been submitted previously would be deleted by BKAD through the Regional Property Management Section. For Regional Apparatus who have submitted a deletion proposal, the data on the proposed deletion was compared and examined with the data in the asset list. After the submission documents completed, BKAD sent a letter to the Directorate General of State Assets (DJKN) Regional Office of Riau, West Sumatra and Riau Islands, as well as the Public Appraisal Services Office (KJPP) to assess the official vehicles that would be written off. In order to request approval for the sale and write-off of regional property, the Head of BKAD for the Riau Islands Province makes an Official Memorandum signed by the Regional Secretary of the Riau Islands Province as Property Manager addressed to the Governor of the Riau Islands in the request for the sale and write-off of fixed assets.

Based on the Governor's disposition, the Head of BKAD sent an auction request letter to the State Property and Auction Services Office (KPKNL) of the Ministry of Finance of the Republic of Indonesia to be auctioned through a Public Auction. Next, auction minutes are

published and payment receipts are made for items that have been sold. After the payment receipt and auction minutes have been prepared, the deletion decree can be issued and signed by the Regional Secretary of the Riau Islands Province. The auction process for assets that are no longer in use takes a long time, making several Property Users/Proxy of Property Users have complained. The condition of assets that are seriously damaged but still exist physically because the goods cannot be destroyed if a Write-Off Decree has not been issued. On the other hand, some Regional Apparatuses do not have a place to store seriously damaged assets.

### **Supervision and Control**

The figure shows that the biggest gap is in statements P4 and P3 with the same gap value of -0.07, with the statement about goods users monitoring the security, control, and maintenance of official vehicles. In the entire business process of managing official vehicles, supervision and control are crucial. Both item managers and item users can monitor and control their assets. Besides, it can find non-ideal or problematic assets and identify potential losses.

Based on the results of interviews with user property administrators, it was found that the supervision and control carried out by regional officials over official vehicles was still limited to supervision of reports made by user property administrators in fulfilling their main duties and functions. However, it is felt that follow-up on the issue of official vehicles is still lacking, such as the existence of echelon IV officials who use four-wheeled official vehicles even though the regulations of vehicles can use two-wheeled official vehicles. The Regional Finance and Assets Agency, heads of regional apparatus, Regional Inspectorates, BPKP, BPK, and KPK exercise control over the fixed assets of official vehicles in Riau Islands Provincial Government. The main tasks of BKAD in the field of Regional Property Management, through the Regional Property Management sub-sectors II and III, include:

- a. monitoring and evaluation of the implementation of securing regional property;
- b. doing evaluations regarding the efficiency of maintaining regional property.

Due to limited human resources at BKAD, the coaching carried out by BKAD is not optimal. However, continuous efforts are provided to all administrators of user goods and administrators of auxiliary goods. Guidance, especially for goods users and the power of goods users, is also still lacking. The highest leadership in regional apparatus should be responsible for developing official vehicle asset management. In addition, work unit leaders still have little attention to the management of fixed assets of official vehicles as they still consider financial management to be more important than asset management. This can be seen from regional leaders who concern to technical activity programs, main tasks, functions, and finance. Furthermore, this has implications for the training of human resources for User Property Managers and Auxiliary Property Managers, which is also considered to be inadequate.

### **Test Research Data Instruments**

#### **Data validity test results**

In order to test the validity of data on perception and expectation variables, the IBM SPSS Statistics 22 program was employed. The results of data analysis indicate that the

planning, implementation, coaching, supervision, and control statements included in the 34 (thirty-four) perception and expectations questions are valid. This is indicated by ( $r_{count} > r_{table}$ ) when the score for each statement is greater than  $r_{table}$  ( $df=N-2$ ) of 0.2910. The validity test results are presented in the table below.

**Table 1** Perception Validity Test Results

No.	Description	Number of Statements	Number of Respondents	$r_{table}$	$r_{count}$	Note
1.	Planning	7	46	0.2910	0.510-0.849	valid
2.	Implementation	23	46	0.2910	0.383-0.801	valid
3.	Coaching, supervision, and control	4	46	0.2910	0.942-0.968	valid

Source: Processed data (2024)

**Table 2** Expectation Validity Test Results

No.	Description	Number of Statements	Number of respondents	$r_{table}$	$r_{count}$	Note
1.	Planning	7	46	0.2910	0.528-0.849	valid
2.	Implementation	23	46	0.2910	0.341-0.816	valid
3.	Coaching, supervision, and control	4	46	0.2910	0.911-0.958	valid

Source: Processed data (2024)

### Reliability test results

For each perception and expectation variable whose statement was declared valid, a reliability test was also carried out using the IBM SPSS Statistics 23 program. The *Cronbach Alpha* method was used to test the reliability of the data. If the alpha coefficient of each statement is above 0.60, then the research instrument can be considered reliable. The reliability test results for the 34 (thirty-four) statements are presented in the table below.

**Table 3** Perception of Reliability Test Results

No.	Description	Number of Statements	Number of respondents	<i>Cronbach Alpha</i>	Note
1.	Planning	7	46	0.841	<i>Realible</i>
2.	Implementation	23	46	0.931	<i>Realible</i>
3.	Coaching, supervision, and control	4	46	0.971	<i>Realible</i>

Source: Processed data (2024)

**Table 4** Expectation of Reliability Test Results

No.	Description	Number of Statements	Number of Respondents	<i>Cronbach Alpha</i>	Note
1.	Planning	7	46	0.841	<i>Realible</i>

No.	Description	Number of Statements	Number of Respondents	Cronbach Alpha	Note
2.	Implementation	23	46	0.931	Reliable
3.	Coaching, supervision, and control	4	46	0.971	Reliable

Source: Processed data (2024)

### IFE Analysis (Internal factor evaluation) and EFE (External factor evaluation)

Identification of key external and internal factors is the first step that must be taken in formulating alternative strategies in the SWOT analysis input process to obtain strategies for improving official vehicle management. Internal key factors (IFE) and external key factors (EFE) which were obtained from experts belonging to Riau Islands Provincial government are two key factors that are important to achieve the goal. These important internal and external factors will produce four important components, namely: (1) strength factors, (2) weakness factors, (3) opportunity factors, and (4) threat factors. SWOT analysis is an analysis model used to compare external key factors (opportunities and threats) with internal key factors (strengths and weaknesses) (Rangkuti, 2008). The results of the internal environmental analysis show that Riau Islands Provincial government has five strengths and five weaknesses.

Internal Factor Evaluation (IFE) is the result of identifying internal strategic factors, so that the strengths and weaknesses that influence the management of fixed assets for official vehicles in Riau Islands Provincial Government could be obtained. After collecting questionnaire data with 4 (four) informants, for the weight and rating research values, the calculation results were obtained in (Table 11). The management of fixed assets for official vehicles in Riau Islands Provincial Government is determined from internal factors with the relative importance of one factor to another determined by the magnitude of the weight of that factor. Based on (Table 9), it can be seen that the internal factors (Strengths) that are considered the most important or the greatest opportunities for official vehicle management are the existence of (regional government policies in supporting official vehicle management) with the highest score of 0.634. Internal factors (strengths), a clear organizational structure of regional apparatus in managing official vehicles and the availability of adequate supporting facilities for managing official vehicles, obtained the same score by 0.568. The strong commitment factor from BKAD leadership in managing official vehicle reconciliation received a score of 0.427. while the lowest score of 0.418 was obtained by the factor of an adequate number of user goods handlers and auxiliary goods handlers.

The results of the internal factor evaluation also show that based on the rating or ranking of the strength factors, there are 3 (three) factors that received a rating of 4 (four), which means they have a very strong influence and 2 (two) factors that received 3 (three) rating, which means they have a rather strong influence.

The IFE Matrix also shows the results (weaknesses) in the management of fixed assets for official vehicles in Riau Islands Provincial Government. The internal strategy factor that has the greatest weakness in terms of influence with the highest to lowest levels of importance is (Inadequate ongoing supervision and monitoring of official vehicles) with a



score of 0.124 (Regional officials have not implemented their authority and responsibility as Property Users regarding the use of official vehicles that is not appropriate to its function, inadequate administrative, and physical security) with the same score value of 0.091, and (Training and socialization on BMD management which is attended by user property administrators/auxiliary property administrators is inadequate and Rewards and compensation for the performance of user property administrators and administrators inadequate auxiliary goods) with both obtaining a score of 0.063.

The results of the rating assessment on the weaknesses in the management of official vehicles in Riau Islands provincial government should be a major concern. Where the average of the 5 (five) weak factors in the management of existing official vehicles received a rating of 1 (one), which means they have a very weak influence on the management of official vehicles.

**Table 5** Internal Factor Evaluation) Calculation Results Matrix

No	Strength	Weight	Ratings	Score
1	Regional Government Policy in Supporting Official Vehicle Management	0.158	4	0.634
2	A clear organizational structure for regional apparatus in managing official vehicles	0.152	4	0.568
3	Strong commitment from BKAD leadership in managing official vehicle reconciliation	0.131	3	0.427
4	Availability of adequate supporting facilities for managing official vehicles	0.152	4	0.568
5	The number of user goods handlers and auxiliary goods handlers managing official vehicles is adequate	0.129	3	0.418
	Total power	0.707		2,584
	Weakness	Weight	Ratings	Score
1	Leaders of regional apparatus have not implemented their authority and responsibility as Property Users regarding the use of official vehicles that do not comply with their function	0.061	1.5	0.091
2	Insufficient ongoing supervision and monitoring of official vehicles	0.071	1.75	0.124
3	Training and socialization on BMD management which is attended by user goods administrators/auxiliary goods administrators is inadequate	0.051	1.25	0.063
4	Inadequate awards and compensation for the performance of user property administrators and auxiliary property administrators	0.051	1.25	0.063

No	Strength	Weight	Ratings	Score
5	Inadequate administrative and physical security	0.061	1.5	0.091
	Total weakness	0.293		0.432
	Total IFE			3,007

Source: processed data (2024)

The results of interviews with 4 (four) informants, followed by identifying external strategic factors that influence the management of official vehicles consisting of opportunities and threats, then continued with evaluating external factors using the External Factor Evaluation (EFE) matrix. This obtained results as in (Table 12) that the weight will determine the relative importance of one external factor to others, which can influence the management of fixed assets for official vehicles in the Riau Islands Provincial Government.

The external factors that provide the greatest opportunity value, namely the provision of special sanctions for regional officials who have not carried out asset reconciliation, are expected to increase awareness of goods users to be more orderly in managing official vehicles. The results of the evaluation of the External Factor Evaluation (EFE) factors based on interviews with informants show that the rating assessment/ranking average is 3 (three) on the factor (Opportunity) of the five external opportunity factors. It is concluded that the opportunity factor has a rather strong influence on the management of official vehicles.

Assessment of ratings on external factors (Threats) must be considered in the management of fixed assets for official vehicles in Riau Islands Provincial Government. Of the four external threat factors, there is a factor that received a rating of 3, which means that this factor can be a fairly strong threat to the management of official vehicles.

**Table 6** EFE Matrix Calculation Results (External Factor Evaluation)

No	Opportunity	Weight	Ratings	Score
1	Imposing sanctions on regional officials who have not carried out asset reconciliation by BKAD	0.140	3.5	0.490
2	Coordinate with other agencies, such as BPKP, BPK, and KPK in evaluating the management of official vehicles	0.120	3	0.360
3	Providing incentives or honorariums to administrators of user goods/administrators of auxiliary goods	0.110	2.75	0.303
4	Implementation of inherent supervision by heads of regional apparatus	0.120	3	0.360
5	Affordable motor vehicle monitoring system technology	0.140	3.5	0.490
	Total odds	0.630		2,003
	Threat	Weight	Ratings	Score
1	Five-yearly changes in regional leadership	0.07	1.75	0.123

No	Opportunity	Weight	Ratings	Score
2	Transfers and promotions for user property administrators/auxiliary property administrators at regional apparatus	0.09	2.25	0.203
3	Low compliance by regional officials with statutory regulations	0.12	3	0.360
4	Changes in regulations regarding SOTK from the Central Government	0.09	2.25	0.203
	Total Threat			0.888
	Total EFE			2,890

Source: processed data (2024)

### Internal and External Matrix (IE)

The aim of the internal and external matrix is to obtain a grand design strategy for managing fixed assets for official vehicles in Riau Islands province. The IE matrix was obtained from the intersection of the (x) axis, which is an IFE value of 3,007 and the (y) axis, which is an EFE value of 2,890. In these two values, information was obtained that the IFE value is greater than the EFE value. This means that internal factors have a greater influence than internal factors in the management of official vehicles in the Riau Islands provincial government. From the combination of both IFE and EFE matrix factors, the internal-external (IE) matrix plot results were obtained in quadrant I as shown in (Figure 7).

Based on the results of the internal-external matrix plot, the appropriate strategy for managing official vehicle fixed assets is strategies that grow and build. This means that approaches taken to support this strategy include improving the performance of official vehicle management officials in regional apparatus, building a physical security system for official vehicles, such as installing Riau Islands provincial government logo on official vehicles and GPS on official vehicles, strengthening regulations regarding management official vehicles, reconciliation of fixed assets, as well as strategies for appointing functional positions for managing goods at regional apparatus.

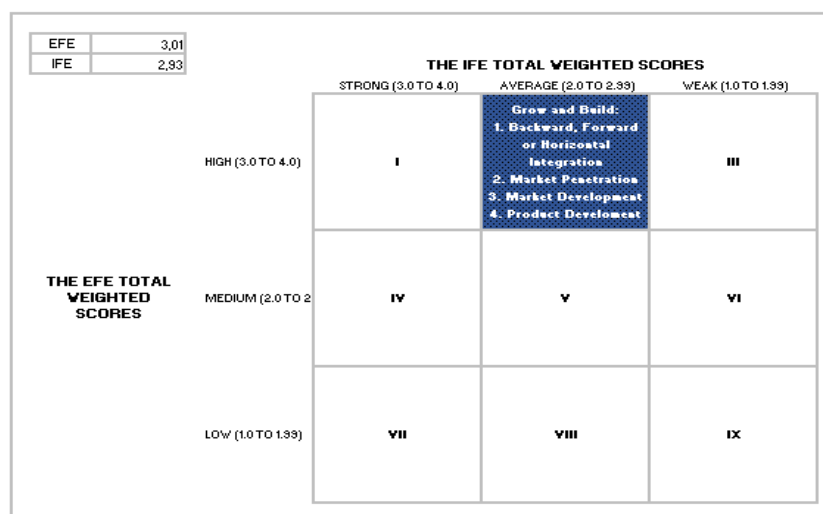


Figure 1 Internal external (IE) Matrix (Source: processed data (2024))

### Formulation of alternative strategies using the SWOT matrix

After carrying out the IFE and EFE analysis, the next step was to carry out a SWOT analysis namely by matching internal factors in the form of strengths and weaknesses with external factors in the form of opportunities and threats to obtain the alternative strategies of (S-O), (W-O), (S-T), and (W-T) for managing official vehicle fixed assets in the Government Riau Islands Province. The SWOT matrix is depicted in Table below.

<p style="text-align: center;">Internal factors</p> <p style="text-align: center;">External Factors</p>	<p style="text-align: center;">Strength (S)</p> <ol style="list-style-type: none"> <li>1. Regional Government policies to support the management of official vehicles.</li> <li>2. A clear organizational structure for regional apparatus in managing official vehicles.</li> <li>3. Strong commitment from BKAD leadership in managing official vehicle reconciliation.</li> <li>4. Availability of adequate supporting facilities for managing official vehicles.</li> <li>5. The number of user goods handlers and auxiliary goods handlers managing official vehicles is adequate.</li> </ol>	<p style="text-align: center;">Weakness (W)</p> <ol style="list-style-type: none"> <li>1. Leaders of regional apparatus have not carried out their authority and responsibility as Property Users regarding the use of official vehicles that do not comply with their function.</li> <li>2. Insufficient ongoing supervision and monitoring of official vehicles.</li> <li>3. Training and socialization on BMD management, which is attended by user property administrators/auxiliary property administrators, is inadequate.</li> <li>4. Inadequate awards and compensation for the performance of user property administrators and auxiliary property administrators.</li> <li>5. Inadequate administrative and physical security.</li> </ol>
<p style="text-align: center;">Chance (O)</p> <ol style="list-style-type: none"> <li>1. Imposing sanctions on regional officials who have not carried out asset reconciliation by BKAD.</li> <li>2. Coordinating with other agencies such as BPKP, BPK, and KPK in evaluating the management of official vehicles.</li> <li>3. Providing incentives or honorarium to user property administrators/auxiliary property administrators.</li> </ol>	<p style="text-align: center;">S-O Strategy</p> <ol style="list-style-type: none"> <li>1. Improving the performance of official vehicle management officials at regional apparatus (O1, O3, O4, S1, S2, S3, S4, S5).</li> <li>2. Strengthening regulations for imposing strict sanctions on regional officials who have not reconciled regional</li> </ol>	<p style="text-align: center;">W-O Strategy</p> <ol style="list-style-type: none"> <li>1. Providing the Riau Islands Provincial Government logo on official vehicles (O4, W1, W2, W5).</li> <li>2. Installing GPS (Global Positioning System) on official vehicles (O5, O4, W1, W2, W5).</li> </ol>

4. Implementing inherent supervision by heads of regional apparatus.	assets (O1, O2, O4, S1, S3).	
5. Conducting affordable motor vehicle monitoring system technology.		
Threat (T)	S-T Strategy	W-T Strategy
1. Five-yearly changes in regional leadership	1. Prepare Governor Regulations regarding technical instructions for managing official vehicles (T1, T3, T4, S1, S2, S3).	1. Appointment to functional positions of goods management at regional apparatus (T1, T2, T4, W2, W4, W5)
2. Transfers and promotions for user goods administrators/auxiliary goods administrators at regional apparatus		
3. Low compliance by regional officials with statutory regulations		
4. Changes in regulations regarding SOTK from the Central Government		

**Figure 2** SWOT Matrix and alternative strategies for managing fixed assets for official vehicles in the Riau Islands Provincial Government

### Decision Making Stages through the QSPM Matrix

The purpose of using QSPM is to determine the best and most attractive strategy to be implemented in accordance with the direction and policies set by the Riau Islands Provincial Government in managing fixed assets for official vehicles. In determining priority strategies for managing official vehicles, the QSPM matrix is believed to be an appropriate analysis based on existing alternative strategies. In order to determine the best strategy, this was done by determining the rating of the previously selected strategy. All internal and external factors must be considered in giving ratings by informants. The results of the TAS determination by the four informants can be seen in the attachment. Below are the results of formulating a priority strategy using QSPM which are summarized in the table below.

**Figure 1** QSPM analysis results

No	Strategy	BAG	Rating
1	Improving the performance of official vehicle management officials at regional apparatus	6.425	3
2	Strengthening regulations for imposing strict sanctions on regional officials who have not reconciled regional assets	6.234	6
3	Providing Riau Islands Provincial Government logo on official vehicles	6.563	1
4	Installing GPS ( <i>Global Positioning System</i> ) on official vehicles	6.398	4

No	Strategy	BAG	Rating
5	Preparing Governor Regulations regarding technical instructions for managing official vehicles	6.506	2
6	Appointing the functional position of goods management at regional apparatus	6.379	5

Source: processed data (2024)

The third priority strategy, namely giving the logo of the Riau Islands Provincial Government, is the strategy that got the highest TAS score by 6.563. This is in line with the gap analysis results that was carried out previously, where the statement that official vehicles were not used according to their function was the statement with the highest gap. It is expected that the experts' assessment of the third strategy will be able to overcome the problem of using official vehicles that do not match their function.

Based on the results of the QSPM analysis, which produced a sequence of priority strategies, it is necessary to design programs and activities to implement the existing strategies. The program is used as a reference in implementing the selected strategy in government activities. The preparation of policies and programs were used as direction for managing official vehicles in Riau Islands Provincial Government. The strategy of giving logos to official vehicles belonging to Riau Islands Provincial Government and installing GPS was carried out to provide maximum security for existing official vehicles.

**Table 2** Implementation of fixed asset management strategies for official vehicles in the Riau Islands Provincial Government

Strategy	Policy	Program	Activity
Providing Riau Islands Provincial Government logo on official vehicles	Optimization of a series of integrated regional asset management processes related to asset planning processes, asset utilization management, as well as administration of regional assets	Management of Regional Property	Security of regional property
Preparing Governor Regulations regarding technical instructions for managing official vehicles		Management of Regional Property	Preparation of regional property management policies
Improving the performance of official vehicle management officials at regional apparatus		Administration of regional property to regional apparatus	1. Guidance, supervision, and control of regional property in SKPD 2. Organizing SKPD Coordination and Consultation Meetings

Strategy	Policy	Program	Activity
			3. Support for the Implementation of Electronic-Based Government Systems in SKPD 4. Socialization of BMD management to goods users
Installing GPS (Global Positioning System) on official vehicles		Supporting provincial government affairs	Procurement of regional property to support regional government affairs
Appointinf the functional position of goods management at regional apparatus		Supporting provincial government affairs	Socialization of the functional position of goods management
Strengthening regulations for imposing strict sanctions on regional officials who have not reconciled regional assets		Management of regional property	1. Reconciliation in the context of preparing regional property reports 2. Preparation of governor regulations regarding reconciliation of regional assets

## CONCLUSION

The Gap Analysis results for the management of official vehicle fixed assets reveal several deficiencies in the planning, implementation, supervision, and coaching processes. The most significant issues include the misuse of official vehicles, the continued use of vehicles by officials no longer in office, inadequate registration of vehicles, and the lending of vehicles to non-governmental entities. The analysis of internal factors indicates that the strongest aspect is the supportive policies of Riau Islands Provincial Government for managing official vehicles. However, the most significant weakness is the lack of a sustainable monitoring system for these vehicles. External factors with the highest scores include the increasing affordability of motor vehicle monitoring technology and the enforcement of sanctions by BKAD on regional officials who fail to reconcile assets. The major external threat identified is the low compliance of regional officials with existing legislation. The priority strategies for the Riau Islands Provincial Government to enhance the management of official vehicle fixed assets include providing official vehicles with the provincial government logo, developing technical guidelines for managing official vehicles, improving the performance of vehicle management personnel in regional apparatus, installing GPS (Global Positioning System) on official vehicles managed by regional officials, appointing functional positions for goods management to

regional officials, and strengthening regulations to impose strict sanctions on officials who fail to reconcile assets.

#### REFERENCE

- Adriana, A., & Ritonga, I. T. (2018). Analysis of Local Financial Management Transparency Based on Websites on Local Government in Java. *Jurnal Dinamika Akuntansi*, 10(1). <https://doi.org/10.15294/jda.v10i1.12558>
- András, B., László, N., & Csaba, L. (2021). Sustainability of Hungarian local governments' financial management. *Statisztikai Szemle*, 99(6). <https://doi.org/10.20311/stat2021.6.hu0541>
- Atmadja, A. T., Dharmawan, N. A. S., & Saputra, K. A. K. (2024). Determinants of Factors that Affect Accounting Fraud in Local Government Financial Management. *Australasian Accounting, Business and Finance Journal*, 18(1). <https://doi.org/10.14453/aabfj.v18i1.09>
- Barus, S., & Guchi, Z. (2023). The Effectiveness of Financial Management in Schools in Islamic Educational Institutions. *Journal on Education*, 05(02).
- Brown, C. O. (2017). The politics of government financial management: Evidence from state bonds. *Journal of Monetary Economics*, 90. <https://doi.org/10.1016/j.jmoneco.2017.07.006>
- Dittenhofer, M. A. (2001). Behavioral aspects of government financial management. *Managerial Auditing Journal*, 16(8). <https://doi.org/10.1108/02686900110403154>
- Gavrikova, E., Volkova, I., & Burda, Y. (2020). Strategic aspects of asset management: An overview of current research. *Sustainability (Switzerland)*, 12(15). <https://doi.org/10.3390/su12155955>
- Hailuddin, H., Kholbi, I., Paranata, A., & Wardah, S. (2019). Strategi Peningkatan Penerimaan Retribusi Aset Tetap Tanah Di Kabupaten Lombok Barat. *Elastisitas - Jurnal Ekonomi Pembangunan*, 1(2), 91–105. <https://doi.org/10.29303/e-jep.v1i2.12>
- Hughes, J., Ahluwalia, P., & Midha, V. (2013). A heuristic evaluation instrument for e-government online software. *Electronic Government*, 10(1). <https://doi.org/10.1504/EG.2013.051273>
- Lima, E. S., McMahan, P., & Costa, A. P. C. S. (2021). Establishing the relationship between asset management and business performance. *International Journal of Production Economics*, 232. <https://doi.org/10.1016/j.ijpe.2020.107937>
- Maletič, D., Grabowska, M., & Maletič, M. (2023). Drivers and Barriers of Digital Transformation in Asset Management. *Management and Production Engineering Review*, 14(1). <https://doi.org/10.24425/mper.2023.145370>
- McMahon, P., Zhang, T., & Dwight, R. (2020). Requirements for Big Data adoption for Railway asset Management. *IEEE Access*, 8. <https://doi.org/10.1109/aACCESS.2020.2967436>
- Nainggolan, L. M., Yahya, I., & Absah, Y. (2022). Analysis of Factors Affecting the Government Financial Management Performance of the Pematangsiantar City. *International Journal of Research and Review*, 9(8). <https://doi.org/10.52403/ijrr.20220821>
- Ohaka, J., Dagogo, D. W., & Lenakpeg-Op Banyie, J. (2016). International public sector



- accounting standards (IPSAS) and local government financial management in nigeria. *Journal of Accounting and Financial Management*, 2(3).
- Park, S., & Maher, C. S. (2020). Government Financial Management and the Coronavirus Pandemic: A Comparative Look at South Korea and the United States. *American Review of Public Administration*, 50(6–7). <https://doi.org/10.1177/0275074020941720>
- Phusavat, K., Anussornnitisarn, P., Sukhasem, R., Rassameethes, B., & Lin, B. (2010). ICT risk for government financial management information system. *Electronic Government*, 7(2). <https://doi.org/10.1504/EG.2010.030922>
- Putri, M., & Aswar, K. (2022). Local Government Financial Performance: The Role of Political Monitoring. *Journal of Economics and Behavioral Studies*, 14(3(J)). [https://doi.org/10.22610/jeps.v14i3\(j\).3307](https://doi.org/10.22610/jeps.v14i3(j).3307)
- Rusli Tanjung, A., Mutia Basri, Y., & Azlina, N. (2018). Analysis the effectiveness of local government financial management (study at local government in Riau province). *Research Journal of Finance and Accounting Wwww.liste.Org ISSN*, 9(8, 2018).
- Sugiyono. (2019). *Statistika Untuk Penelitian*. CV Alfabeta.
- Suwanda, D. (2020). Risk Management Solutions in Local Government Financial Management Dadang. *AYER Journal*, 27(3).
- Tjondro, E., & Permata, A. A. (2019). *Earning Management or Tax Avoidance? Company Decision on Accounting and Tax Reporting Cost*. <https://doi.org/10.2991/teams-19.2019.4>
- Vilarinho, H., D’Inverno, G., Nóvoa, H., & Camanho, A. S. (2023). The measurement of asset management performance of water companies. *Socio-Economic Planning Sciences*, 87. <https://doi.org/10.1016/j.seps.2023.101545>
- Wanarni, N. S. (2020). THE INFLUENCE OF FACTORS IN LOCAL GOVERNMENT FINANCIAL MANAGEMENT ASPECTS TO THE REMAINING BUDGET (SILPA) IN THE CITY OF TARAKAN. *ABIS: Accounting and Business Information Systems Journal*, 1(2). <https://doi.org/10.22146/abis.v1i2.59406>