
THE EFFECT OF ASSET PROCUREMENT PLANNING, REGULATION, ASSET INVENTORY, INFORMATION SYSTEMS AND HUMAN RESOURCES COMPETENCE ON FIXED ASSETS OPTIMIZATION**Naomi¹, P. Basuki Hadiprajitno²**¹Diponegoro University, naomi.kevina@gmail.com²Diponegoro University, basuki@live.undip.ac.id**Keywords:**

Asset Procurement
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Asset Inventory,
Information System and
Competency of Human
Resources, Fixed Asset
Optimization and Financial
Services Authority

Abstract

This study examines the effect of foreign insurance affiliation, market share, own retention ratio, claims ratio and expense ratio on the performance of general insurance companies in Indonesia. The performance of insurance companies in this study uses a measure of return on equity (ROE). The research population is all general insurance companies in Indonesia operating in 2018-2021. The research sample is 177 insurance companies in that period. Data collection uses financial reports submitted by insurance companies to the Financial Services Authority. Furthermore, to perform data analysis, multiple linear regression through the use of SPSS software as a tool is used in this study. The results show that foreign affiliation and own retention ratio have a positive impact on insurance company ROE. Meanwhile, market share, claims ratio, and expense ratio have a negative effect on ROE. Taken together, foreign affiliate, market share, own retention ratio, claims ratio and expense ratio affect ROE. The results of this study can provide an overview to regulators in regulating foreign ownership in the insurance industry in Indonesia as well as regulations regarding self-retention. For shareholders and management of insurance companies, this research can provide an overview of foreign cooperation policies and reinsurance policies associated with the risk profile of insurance business lines in Indonesia, fee policies, underwriting and claim handling.

INTRODUCTION

Fixed Asset Management is an accounting process that seeks to track fixed assets for financial accounting purposes, maintenance at regular intervals/periodic inspections to determine their utilization and prevention of theft of fixed assets. Private organizations or government agencies certainly have assets that need to be managed efficiently and effectively for the utilization of assets. Therefore, the role of asset management in the organization is needed, a process that must involve all managers in the company to ensure that decisions are properly implemented throughout the organization (Siregar, 2004).

Assets are things that can be used or owned by a company, institution or person and have economic, commercial or exchange value in the form of goods (Siregar, 2004). Among other legal

acquisitions, state property includes fixed assets and movable assets, excluding special funds and non-departmental funds, which are owned or controlled by government agencies other than ministries, one of which is the Financial Services Authority (OJK). This means that assets owned by OJK are an important part of state finances, accountability for the management of these assets is an important part of financial accountability so that OJK is responsible for managing these assets effectively, because they can have an impact on the state's financial position.

According to the Regulation of the Board of Commissioners of the Financial Services Authority number 4/PDK.01/2019 concerning Amendments to the Regulation of the Board of Commissioners of the Financial Services Authority Number 9/PDK.02/2017 concerning Guidelines for the Management of Goods Owned by the Financial Services Authority and Other Party's Property at the Financial Services Authority (2019), the scope of goods management starts from: (1) Needs and budget planning, (2) Procurement, (3) Allocation and Use, (4) Implementation, (5) Safeguard, maintenance, capacity building and insurance, (6) transfer, (7) destruction, (8) deletion, (9) administration, and/or (10) control and supervision.

According to generally accepted accounting principles in the form of government accounting standards (SAP, 2010), fixed assets are known as long-term physical assets that are used by companies or the general public. Wealth planning can be integrated into the strategic planning section to identify the ongoing impact of company decisions on assets and create effective responses to determine the assets needed. This approach can help companies make decisions that will positively impact their wealth in the long run. In terms of asset management and the number of assets needed in an organization, of course, it must be adjusted to the number of human resources it has. The following shows the number of OJK employees

Table 1
Number of Employees at OJK

Year	Number of Employees	Headquarters	Regional Office & OJK Office
2013	282	282	0
2014	472	391	81
2015	800	689	111
2016	1121	872	249
2017	1644	1225	419
2018	2112	1524	588
2019	2523	1846	677
2020	2707	1951	756
2021	3134	2263	871

Source: OJK Human Resources Information System (SIMFOSIA-OJK)

Table 1 above shows the development of the number of OJK employees from 2013 to 2021. This shows that the number of assets needed to support OJK's operational activities is increasing every year. Adequate and professionally managed facilities and infrastructure are indispensable in the framework of carrying out efficient, effective and accountable supervision of financial service institutions, in the form of OJK Property. Management of OJK Property becomes a continuous logistics cycle. In relation to state finances, the implementation of a series of bookkeeping of OJK Property must be able to realize an orderly administration of assets that is effective, efficient, accountable and optimal, so that it can properly and correctly reflect the financial status of OJK.

Then in the implementation of goods management or asset management at OJK has experienced developments influenced by various factors, especially due to the large number of assets

contained within OJK, both assets owned by OJK through purchases with OJK budget from APBN, levies or other mechanisms used by OJK through lending and leasing owned by other parties or through agreements with government agencies.

The management of fixed assets at OJK experiences problems and conditions that need special attention, especially with repeated findings in the audit of the Supreme Audit Agency of the Republic of Indonesia on OJK's financial reports. According to the Audit Board Examination Report on the OJK Financial Report for the period 2013 to 2021, one of the recurring findings relates to the inadequate management of OJK's fixed assets. These fixed asset management challenges manifest in various ways, encompassing: a) The existence of dual records for OJK Property, both within the State Property (BMN) system and the SIAUTO system, creating discrepancies in the true value representation of BMN assets at OJK. In 2020, OJK deactivated BMN OJK assets on SIAUTO and consolidated them solely on SIMAK-BMN to reflect their actual value recorded by the Directorate General of Budget of the Ministry of Finance. b) Failure to register land certificates owned by OJK upon land acquisition, resulting in land certificates that still bear the names of previous owners under certificates of ownership rights (SHM) or certificates of building use rights (SHGB). Consequently, in 2019, land certificate applications were initiated at the ATRBPN in the respective land locations to establish legal security for land-based fixed assets. c) OJK's omission of insurance coverage for its buildings, equipment, and machinery, contradicting the insurance regulations applicable to OJK-owned assets. d) Non-recording of additional costs linked to land and building purchases as part of the acquisition price. e) Neglecting to conduct physical write-offs of dismantled assets. f) Failing to write off any lost state property, including the compensation process. g) Incomplete provision of specific and comprehensive asset information based on current conditions. h) Inadequate planning for interior arrangements and workspace furniture procurement in office buildings, leading to incomplete work. i) The potential for overpriced fixed and intangible assets resulting from procurement processes that deviate from established regulations. j) Non-compliance with procurement provisions for office building rentals in several instances. k) Absence of asset location and condition data in the asset management information system due to an incomplete asset inventory across OJK-owned offices, causing inaccuracies in asset valuation that do not align with their true value. These challenges collectively underscore the need for a comprehensive approach to address fixed asset management issues.

In addition to the aforementioned challenges, there are notable issues in fixed asset management that demand particular attention. These include: a) The construction of a new office building on OJK-acquired land with the procurement of new furniture and machinery, instead of utilizing existing assets in the current office, leading to a significant potential for unused assets that necessitate proper handling and storage for subsequent procedures. This prompts the initiation of optimizing unused fixed assets in 2022, involving transfers, utilization, and write-offs of these assets. b) Several administrative work units have yet to address the outcomes of asset inventories, resulting in the backlog of managing damaged assets, OJK's property, and asset write-offs. c) The regulations and guidelines governing asset management have not been updated to incorporate feedback from experienced asset administrators who have resolved issues through leadership policies. d) There is an absence of a policy regarding the valuation and recording of fixed assets obtained through the Design and Build mechanism. These issues collectively underscore the importance of addressing fixed asset management challenges comprehensively.

Structuring the authority structure for the management and use of assets carried out by the OJK, including in the form of governance in the implementation of the management of OJK's property. The goal is to develop an effective coordination system to deal with problems that arise in asset management in order to improve asset stability. In addition to the authority and structure that must be managed efficiently and effectively, asset management must be carried out administratively so that filing files do not overlap and the recorded data and asset values are truly valid and accountable. Asset

management is carried out through management functions such as planning, organizing, implementing, administering and supervising.

In the research by Dwi Ratmono et al. (2018) showed that the two determining factors for the level of optimization of fixed assets are needs planning and inventory. Then Pamphylia Ferdinanda et al. (2014) found inventories, legal audits and revaluations had a positive impact on optimizing the management and use of fixed assets. According to Agustina Ester Antoh's study (2017), asset inventory and revaluation have a negative impact on asset optimization. Siregar (2004) argues that asset optimization is a type of asset management workflow that has the aim of maximizing physical capacity, value/volume, legal and financial. This point of view shows the importance of adequate human resource competence in the role of asset managers in achieving good asset management by prioritizing administrative and physical order, accompanied by dynamic regulations and information systems. Research by Hidayati (2016), Nasution E. et al. (2015), Ristiasiri (2014), and Jusmin (2013) support the condition of efforts to realize good asset management, that asset inventory is an important activity and has a positive effect on asset management. However, Ayomi's research (2014) does not support this condition because it shows a negative effect on the optimization of fixed assets. Meanwhile, Sulistiawati (2016) found that information systems are an important tool for facilitating commodity administration and providing information that can be trusted and easily obtained by the parties involved. and Jusmin (2013) support the condition of efforts to realize good asset management, that asset inventory is an important activity and has a positive effect on asset management. However, Ayomi's research (2014) does not support this condition because it shows a negative effect on the optimization of fixed assets. Meanwhile, Sulistiawati (2016) found that information systems are an important tool for facilitating commodity administration and providing information that can be trusted and easily obtained by the parties involved. and Jusmin (2013) support the condition of efforts to realize good asset management, that asset inventory is an important activity and has a positive effect on asset management. However, Ayomi's research (2014) does not support this condition because it shows a negative effect on the optimization of fixed assets. Meanwhile, Sulistiawati (2016) found that information systems are an important tool for facilitating commodity administration and providing information that can be trusted and easily obtained by the parties involved.

The author tries to find out and analyze the influence of asset procurement planning, asset inventory, information systems, and human resource competence on the optimization of fixed assets (Studies on Asset Management at the Financial Services Authority), based on references to previous similar studies in table 2.

Table 2
Research Gaps

Study	Researcher/Title	Findings	Information
Effect of Asset Procurement Planning on Fixed Asset Optimization	Sriastiti NLP, Puspa Ningsih NLA and Yasa PNS (2020)- The Influence of Asset Management Towards Optimization of State Assets In Working Units In The Denpasar High Court Region	Needs planning and asset valuation have a positive and significant effect on asset optimization.	Significant
Effect of Regulation on Fixed Assets Optimization	Anartany, SM, Suseno DA (2018) - Regional Idle Asset Optimization Strategy for Central Java Province	An important aspect of asset optimization is the regulatory aspect. The regulation aims that in managing regional assets, goods users have a clear basis so that they are not careless in managing goods.	Significant

Effect of Asset Inventory on Fixed Asset Optimization	Ardiani, S (2020) - The Influence of Asset Management on Optimizing the Utilization of Fixed Assets of the Palembang City Government.	Asset inventory and legal audit have a positive impact on the optimization of fixed assets	Significant
Effect of Information Systems on Fixed Assets Optimization	Chodariyanti, L. (2019) - The Effectiveness of Regional Financial and Asset Management Systems	The existence of a management information system assists the process of managing finances and assets and reduces the risk of fraud from certain individuals.	Significant
Effect of Human Resource Competence on Fixed Assets Optimization	Ricardo, Sari RN, Ratnawati V. (2017) - Optimization of Fixed Asset Management Using a Soft System Methodology Approach (Case Study of the Pekanbaru City Regional Financial and Asset Management Agency)	One of the main problems in managing fixed assets is the weak competence of human resources and the lack of responsibility from related parties in managing fixed assets.	Significant

The current research is different from previous research because it includes the variables of asset procurement planning, regulations, and HR competencies. In addition, the object under study distinguishes this research from previous studies. Fixed asset optimization variable in OJK Asset Administration as the dependent variable in this study. The independent variables of this study are asset procurement planning, regulations, asset inventory, information systems, and human resource competencies.

Formulation of the problem

The formulation of the research problem includes "How does the OJK manage its fixed assets so that it can make an optimal contribution?". The following research questions arise from the above problems:

1. What is the effect of asset procurement planning on the optimization of fixed assets in asset management in OJK?
2. What is the effect of regulation on the optimization of fixed assets in asset management in OJK?
3. How does the influence of asset inventory on the optimization of fixed assets in asset management in OJK?
4. How does the influence of information systems on the optimization of fixed assets in asset management in OJK?
5. How does the competence of human resources affect the optimization of fixed assets in asset management in OJK?

THEORETICAL BACKGROUND

Fixed assets

According to SAP (Government Accounting Standards), assets are resources that enable monetary or social uses, especially non-monetary sources of money that can be valued in monetary units controlled or owned by public entities. It is hoped that in the implementation of population administration as a whole and assets will be maintained by considering various factors, for example authentic and social.

PSAK (2009) defines that fixed assets are tangible substantial assets for lease to other parties, which are used in the supply of goods and services or production, or administrative purposes with the expectation of using these assets for more than one period. In line with this understanding, Warren et al. (2014) stated that the nature of fixed assets is relatively permanent or long-term in nature, for example hardware, equipment, structures, buildings, and land.

From the two definitions above, it tends to be assumed that fixed assets have several characteristics, to be more specific: fixed assets have a substantial structure, are not traded, are used in organizational tasks and have a useful existence for not less than a year.

Asset Management

Asset management theory is a comprehensive approach to understanding how management of fixed assets and management of physical assets can contribute to business strategy and asset management. Hastings in *Physical Asset Management* (Springer, 2015) provides an in-depth look at the principles underlying asset management theory, from the basics of accounting to the implications of technological advances on how organizations can develop and implement effective business strategies to maximize efficiency and profitability so as to optimize organizational performance and business success.

Danylo and Lemer's opinion on Hariyono (2007; 4) that asset management is an effective method and places resources appropriately in order to achieve the goals set. The process of asset management (Official Siti: 2003) is divided into several stages, namely inventory, management and supervision. The inventory stage helps identify the condition and value of the assets. The management stage aims to provide optimal management results. The supervision stage ensures transparency and accountability in the utilization or management of assets.

The conclusion from Asset Management Theory is that fixed asset management is necessary to help improve efficiency and profitability. By studying the principles underlying this theory, organizations can create suitable strategies to manage them and achieve their business goals. Through implementing the right asset management strategy, organizations can maximize efficiency and profitability. This particular strategy can also be adapted to changes in the business environment and technology to achieve optimal performance.

Asset Procurement Planning

Hinderawan, et al. (2009) stated that asset planning includes the following:

- a. Determine the need for assets and buy the assets needed;
- b. Optimize the use of existing assets to avoid buying new assets;
- c. Evaluation of existing assets in order to identify assets that are underperforming, expensive or in other conditions for maintenance or operation;
- d. The asset procurement plan must detail the nature and timing of the asset requirements, a description of the procurement method used and the financing proposal.
- e. Financing and capital budgets for considering and prioritizing options for procurement and expansion of facilities.
- f. Consideration will be non-asset to reduce the need for assets.

The procurement plan covers all major asset acquisitions, including estimates of replacement of existing assets during the planning period. The breadth and depth of documentation and analysis in procurement planning depends on how important the asset is in providing the service.

Meanwhile, Hindrawan, et al (2009) explained that the proper procurement of assets is: (a) A central point to provide assets that are used safely and separately, (b) Assets are bar-coded by suppliers and computerized lists are available for bulk or value purchases. . (c) Procurement process time,

method Time required for goods to arrive at their destination, (d) Asset status is checked before receipt, (e) Asset manager marks assets upon receipt.

Based on Article 1 point 10 of OJK Board of Commissioners Regulation Number 9/PDK.02/2017 and its amendment to OJK Board of Commissioners Regulation Number 4/PDK.01/2019 (hereinafter referred to as OJK Asset Management PDK), it is stated that Needs Planning is an organizational activity that formulates a breakdown linking all activities related to the procurement and utilization of goods prior to the present condition, to create a basis for future actions.

The performance of asset procurement planning is one of the factors that can be achieved to increase the optimization of fixed assets. Accuracy in carrying out the asset procurement plan so that assets that are in accordance with OJK's needs are obtained, fully utilized and planning has also been considered for existing assets so that they are optimal, very much needed in achieving optimization of fixed assets at OJK.

Regulation

The definition of regulation according to the Journal of the Constitution No.18 (1) is a regulation that is under the law and is seen as an instrument to help achieve economic goals and social goals. Regulations in KBBI are regulations, in the form of certain rules and restrictions to regulate people and society. Steewart and Walshe (1992) argue that regulation is a flow to confirm a legal requirement that is fulfilled for certain activities as a standard so that a policy is fulfilled.

Regulation is important in business and the corporate sector because it governs business and consumer behavior over a period of time. This control aims to enable consumers and economic actors to balance production and consumption. Likewise the role of regulation in mediating between economic actors to prevent conflicts outside the market.

Collins Dictionary, defines regulation as provisions to control something or the way people behave. Meanwhile, according to Waaldijk, regulation is not only a set of rules, but also has a normative meaning, which regulates what should or should not be done.

Regulations in Lawinsider are defined as a regulation under the Law as issued or amended from time to time and any regulations that can be replaced accordingly and, in the case of such replacement, any reference in the Corporation's bylaws to the provisions of the Regulations must be read as a reference to the replacement provisions. in the new regulations. This means that the regulations issued can be changed from time to time and interested parties must read them as a reference for the replacement provisions in the new regulations.

Saltman (2002) argues that management theory is compatible with regulation in the context that regulation is a form of control, whereas management theory states that there are different types of control. Because certainty and risk reduction can be realized through regulation.

OJK has determined its own way of managing its assets (Article 35 of Law No.21/2011). OJK is one of the government institutions that is given the authority to determine independently by issuing OJK Board of Commissioners Regulations on the budget and use of funds to finance operational, administrative, procurement of goods and services activities and other supporting activities, with the exception of following the standards as stipulated in the relevant legislation. with the state budget, procurement of assets and remuneration system.

Asset Inventory

According to KBBI, inventory is a list of all office properties (schools, businesses, etc.) that are used to perform tasks. Sugijama AG (2013), defines asset inventory as an activity that collects and records data, reports the results of asset collection, and documents assets both physical assets and non-physical assets at a certain point in time. Asset inventory aims to retrieve information on all goods controlled and managed by an organization or government institution. An inventory must be made with all assets obtained either from self-financing (investment), grants, or other means.

Harsono, et al (2004: 163) argue that asset inventory is an important activity in order to safeguard state or regional assets and ensure their use in an orderly and regular manner. This activity helps facilitate the presentation of data on goods, both fixed assets and movable objects.

Asset inventory management consists of two activities, namely aspects of physical inventory and legal inventory. Physical inventory includes area, volume, location and so on. The legal aspect is tenure status, legal issues that last until the end of power. The processes carried out are asset labeling, asset classification (grouping) and accounting/management in accordance with the objectives of asset management (Siregar, 2004).

The conclusion from these definitions can be seen that asset inventory is an activity that includes regular data collection and grouping of related assets and their management in accordance with existing regulations.

Information Systems

The system comes from the Greek *sustēma* and Latin *systema* which means a combination of elements or parts in order to facilitate the flow of data and information that are interconnected, or in other words, to create asset objects that are interconnected and use a mathematical model.

Hall (2009) defines a system as a group, a combination of more than one interconnected element to fulfill the same goal.

According to Jogiyanto (2005), information systems confront the provision of reports for interested parties with the need for transactional, operational, managerial and strategic activities of an organization.

MJ Alexander (2011) argues that a system is a group of elements, both physical and non-physical, sharing a collection of interconnections and having a purpose at the end of the system. This system is a unit with elements that have the same goals and are integrated with one another. This system requires two activities. First, there is input which is the source of energy to run the system. Second, the process that converts inputs into outputs in the form of targeted operational results.

Human Resource Competency

Koswara (2001: 266) suggests that the quality of local apparatus can be measured by the professional capabilities and technical expertise of the personnel involved in staffing and implementing local government. It is very important for the effective and efficient operation of regional autonomy so that the government's management of it is carried out as a whole. To ensure the best performance, it is important to consider not only the quantity of employees, but also their quality, which must be evaluated on the basis of their educational qualifications, skills, work history, hierarchical roles and employment status. Suharto (2012) emphasizes that expertise, scientific qualifications, commitment to following an employee's protocol as well as their capacity for professional development and adapting to changing regulations determine the quality of human resources.

Human resource competence is related to science, capabilities, capacities, and personality traits that directly affect performance. An important factor for agencies or organizations because it is a combination of intelligence, expertise, and skills that give an organization its own personality is human resources because human resources can support an institution if the participating parties can develop, innovate, and be creative.

Asset Optimization

In language, the origin of the word "optimization" is from "optimal", which means good, high, most profitable (Big Indonesian Dictionary). Optimization is a continuous improvement process, where one strives to maximize the scope and quality of their output. Therefore, optimization can be seen as a way to do the best job and get the most out of it without compromising the quality of the work at hand.

Optimization of assets in the opinion of Siregar (2004) is a way of working on the implementation of asset utilization which has the aim of optimizing the location of goods, value, quantity/quantity, official and economic potential of an asset. State government assets are classified into potential and non-potential assets. Meanwhile, Nugent (2010) argues that "optimizing the utilization of assets is terms of service benefits and financial returns" or optimizing asset utilization is related between service benefits and profits. Thus, asset optimization is defined as optimizing asset utilization in which assets produce more use or generate income.

Logical Relations Between Research Variables

Effect of Asset Procurement Planning on Fixed Asset Optimization

Asset procurement planning is an activity, either directly through an internal or external entity as a supplier of the assets needed, to acquire or acquire goods and services. The research results of Dwi Ratmono et al. (2018) shows that the determining factor for the level of optimization of fixed assets is planning needs.

Asset planning is a guide for taking specific actions in acquiring new assets, writing off obsolete assets, and operating and maintaining current assets effectively (Victoria G., 1995). The purpose of asset procurement planning is intended to ensure how the procurement of goods and services is carried out in a clear and transparent manner, so that it becomes an effective agreement for all parties involved, in accordance with the principles of good corporate governance.

One way to optimize the use of fixed assets is to ensure that asset procurement planning is carried out accurately. This will ensure that assets are procured as needed and fully utilized. Existing asset planning will also contribute to optimizing the use of fixed assets. This means that the better the asset procurement planning is carried out, the better the asset optimization will be. The hypothesis tested is:

H1: Asset procurement planning has a significant impact on the optimization of fixed assets

Effect of Regulation on Fixed Asset Optimization

In order for the organization's need for good provisions to be fulfilled, it is necessary to regulate draft provisions which are carried out in ways and methods that have been determined and are binding on all institutions authorized to develop laws and regulations.

Asset management regulation is very important in companies as an important component of financial system stability and asset management. Asset management regulations provide direction on proper asset management. The implementation of this regulation has provided a safe and effective framework for asset management and seeks to protect investors by providing greater transparency to their investments and limiting incidents of fraud or mismanagement. Asset management regulations enable organizations to more effectively oversee the activities of asset managers and ensure that they comply with asset management requirements in accordance with relevant internal regulations and have a major impact on the success and ability of their financial operations. It means, the better the asset management regulations are implemented, the better the asset optimization. The hypothesis tested is:

H2: Regulation has a significant impact on the optimization of fixed assets

Effect of Asset Inventory on Fixed Asset Optimization

Inventory is an activity where goods are counted, managed, arranged, recorded and reported in functional units. According to research results from Susi Ardiani (2020), optimizing fixed assets is positively and significantly influenced by inventorying fixed assets. Availability of asset data is a major factor in strategic decision making. Therefore, asset administration, orderly recording and database of asset inventory results are needed. Carrying out a comprehensive inventory of assets will produce complete and accurate asset data, so that the availability of this data becomes input to the

fixed asset optimization strategy. So, the more regularly the inventory of assets is carried out, the better the results of optimizing the assets. The hypothesis tested is:

H3: Asset inventory has a significant impact on the optimization of fixed assets

The Influence of Information Systems on Fixed Assets Optimization

Hall (2001) from Kadir (2003) argues that an information system is a series of steps where information is classified, converted into information and distributed to users. An information system consists of a set of elements consisting of people, hardware, work processes and information technology which aims to process data into information in order to achieve goals. According to Ricardo et al (2017) the use of technology is still not optimal if the information system used for assets and finance is not connected, so it is necessary to develop the system so that it is optimal. Meanwhile, according to Chodariyanti, L. (2019) the existence of an information system can facilitate the process of managing finances and assets.

Asset management requires an information system. Inadequate data collection process for assets or goods in asset management is a normal problem in an asset management information system. Information system development will improve system performance in asset management. That is, the better the information system in asset management, the better the asset optimization will be. The hypothesis tested is:

H4: Information systems have a significant impact on the optimization of fixed assets

The Effect of Human Resource Competence on Fixed Assets Optimization

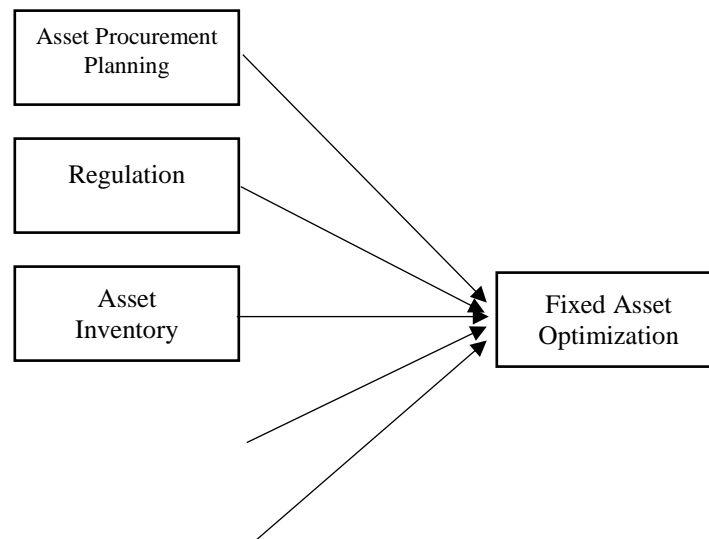
Human resources are an important factor for an organization because it is the combination of intelligence, expertise and skills that gives the organization its own personality. Employees can sustain the organization if the participating human resources can develop, innovate and be creative. Research findings by Anartany, SM, Suseno DA (2018) suggest that by conducting regular training, the quality of human resources can be developed, which leads to more effective overall asset management.

A person's competence refers to information, knowledge, capacities, capabilities and personality traits that directly influence performance. This is necessary so that human resources as asset administrators can carry out asset management so that it is optimal. That is, the better the competence of human resources, the better the optimization of its assets. The hypothesis tested is:

H5: Competence of human resources has a significant impact on the optimization of fixed assets

Research Framework

Based on the theoretical description above, to explain the basic thinking framework in this study is structured as follows:



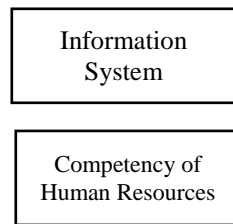


Figure 1 Theoretical Thinking Framework

METHODOLOGY

Data Type

In this quantitative study, researchers used primary data. The main data used was obtained through a Google Forms questionnaire which was filled out online by respondents (OJK employees).

Population & Sample

The population is a collection of data in the form of people, events, objects, and so on, which are the objects of study and inference (Sugiyono, 2004). The subjects of this survey are employees of the Financial Services Authority and the sample is a sample or part that is considered representative of the entire population. The Slovin formula is used in determining the sample. This formula is used to determine the sample size of a known population, namely 3,134 Financial Services Authority employees.

For the level of precision specified in the determination of the sample is 5%. Slovin formula:

$$n = N / (1 + (N \times e^2))$$

Where :

n = sample size

N = population size

e = Allowance for inaccuracy due to tolerable sampling error, then squared.

Based on the Slovin Formula, the magnitude of the withdrawal of the number of research samples is:

$$n = N / (1 + (3134 \times 0.05^2))$$

$$n = 3134 / (1 + (3134 \times 0.0025))$$

$$n = 3134 / (1 + 7,8)$$

$$n = 3134 / 8,8$$

$$n = 356.13 \text{ rounded up to } 356$$

So the sample size in this study is 356 Financial Services Authority employees who will be the respondents.

Research variable

The independent variables used in this study are asset procurement planning, regulation, asset inventory, information systems and human resource competencies and fixed asset optimization are the dependent variables in this study.

Analysis Techniques

Data analysis techniques in this study used multiple regression with the help of SPSS 24. According to Ghozali (2011), regression analysis can be used to measure the strength of the correlation between two or more variables, as well as to identify the relationship between the dependent variable and the independent variable. Multiple regression analysis is a useful tool for understanding how different independent variables can affect the dependent variable.

The multiple linear regression equation model formula used by researchers is:

$$OA = \alpha + \beta_1 Ppa + \beta_2 Re + \beta_3 Ia + \beta_4 Si + \beta_5 Ksdm + e$$

Where:

- OA : Asset Optimization
- α : Constant
- $\beta_1 \beta_2 \beta_3 \beta_4 \beta_5$: Regression Coefficient
- Ppa : Asset Procurement Planning
- Re : Regulation
- He : Asset Inventory
- Si : Information Systems
- Ksdm : Competency of Human Resources
- e : *error*

EMPIRICAL FINDINGS/RESULTS

Classic assumption test

Normality test

The normality test aims to determine whether the confounding or residual variable regression model has a normal distribution. The normality test of data, among other things, can be done by comparing the probability of the Kolmogorov-Smirnov value of 0.05 (5%). There are 2 ways to detect whether the residuals are normally distributed or not, namely by graphical analysis and statistical analysis, namely:

Graph Analysis

Normality test using p-plot analysis, normally distributed data is indicated by the distribution of data points around the diagonal line (Ghozali, 2007). Following are the results of the graphical analysis that has been carried out:

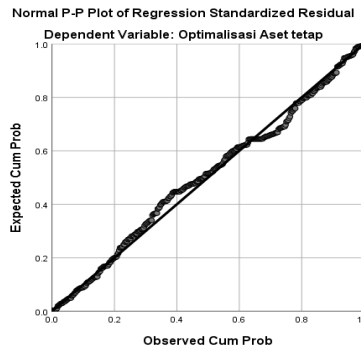


Figure 2 P-Plot

Source: SPSS Data Processing v.26 (2023)

Statistic analysis

The KS test is carried out with the following test criteria:

- a. If the significance value is > 0.05 , the residual data is normally distributed.
- b. If the significance value is < 0.05 , the residual data is not normally distributed

Table 3

Kolmogorov-Smirnov Non-Parametric Test

One-Sample Kolmogorov-Smirnov Test		Unstandardized Residuals
N		356
Normal Parameters, b	Means	.0000000

	std. Deviation	1.97043692
Most Extreme Differences	absolute	.058
	Positive	.055
	Negative	-.058
Exact Sig. (2-tailed)		.182

Source: SPSS Data Processing v.26 (2023)

The results of the KS test shown in table 3 show a significance value of 0.182 which means greater than 0.05. So it can be concluded that the residual data is normally distributed.

Multicollinearity Test

Multicollinearity is a symptom that occurs in the sample, on one of the assumptions of multiple linear regression is that there is no significant correlation between the independent variables (Umar, Husein, 2003). This classic assumption deviation is due to the multicollinearity in the resulting regression model. This means that the independent variables contained in the model have a perfect or near perfect relationship. The way to test for the absence of multicollinearity is seen in the Tolerance Value or Variance Inflation Factor.

Table 4
Multicollinearity Test Results

Coefficients ^a			
Variable		Collinearity Statistics	
		tolerance	VIF
1	Asset Procurement Planning	.580	1,723
	Regulation	.480	2082
	Asset Inventory	.466	2.146
	Information Systems	.551	1,816
	HR Competence	.521	1919

Source: SPSS Data Processing v.26 (2023)

Based on the output of table 4.5, the tolerance value for asset procurement planning is 0.580, regulation amounted to 0.480, asset inventory of 0.466, the information system amounted to 0.551, and human resource competence of 0.521. The tolerance shown is greater than 0.10 and the VIF value of the asset procurement plan is 1,723, Regulation of 2,082, asset inventory of 2,146, the information system amounted to 1,916, and HR Competence of 1.919. On optimizing fixed assets, it shows that all the independent variables in this study are smaller than 10, which means there is no correlation between the independent variables. Thus it can be concluded that there are no symptoms of multicollinearity between the independent variables in the regression model.

Heteroscedasticity Test

The heteroscedasticity test is principally used to test whether a group has the same variance among members of that group. If the variances are not the same, heteroscedasticity is said to occur. If the probability of the correlation results is smaller or equal to the expected significance level (0.05), then heteroscedasticity occurs.

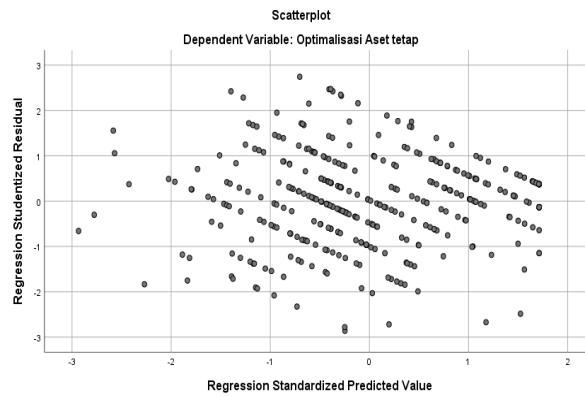


Figure 3
Scatter-Plot

Source: SPSS Data Processing v.26 (2023)

Based on the Heteroscedasticity Test graph, it can be seen that the dots spread randomly, do not form a clear pattern, and are spread both above and below the number 0 on the Y axis. So the proposed regression model can be continued for analysis because the classical assumption that includes it does not occur heteroscedasticity. This means that there is no heteroscedasticity in the regression model so that the regression model is feasible to use.

Regression Analysis and Hypothesis Testing
Multiple Linear Regression Analysis

The results of multiple regression analysis are presented below.

Table 5
Regression Test Results

Coefficientsa				
Variable		Unstandardized Coefficients		Standardized Coefficients
		B	std. Error	Betas
	(Constant)	3010	1,049	
	Asset Procurement Planning	.186	.034	.275
	Regulation	-.085	038	-.125
	Asset Inventory	.226	038	.335
	Information Systems	.108	.029	.189
	HR Competence	096	032	.159

a. Dependent Variable: Fixed Asset Optimization

Source: SPSS Data Processing v.26 (2023)

Based on table 5 it can be seen that the multiple linear regression equation in this study is as follows:

$$OA = 3.010 + 0.186Ppa - 0.085 Re + 0.226 Ia + 0.108 Si + 0.096 Kdm + e$$

- a) The constant coefficient is 3.010. Stating that if the variables are Asset Procurement Planning (X1=0), Regulation (X2=0), Asset Inventory (X3=0), Information Systems (X4=0), and Human Resource Competence (X5=0), then Fixed Asset Optimization is equal to 3.010.
- b) Regression coefficient β_1 is the planning of asset procurement. Has a regression coefficient in a positive direction of 0, 186. The coefficient is positive, meaning that there is a unidirectional relationship between asset procurement planning and fixed asset optimization.

- c) Regression coefficient β_2 is regulation. Has a regression coefficient in a negative direction of -0.085. The coefficient is negative, meaning that there is an opposite relationship between regulation and fixed asset optimization.
- d) Regression coefficient β_3 is an inventory of assets. Has a regression coefficient in a positive direction of 0.226. The coefficient is positive, meaning that there is a unidirectional relationship between asset inventory and fixed asset optimization.
- e) Regression coefficient β_4 is the information system. Has a regression coefficient in a positive direction of 0.108. The coefficient is positive, meaning that there is a unidirectional relationship between the information system and the optimization of fixed assets.
- f) Regression coefficient β_5 is the competence of human resources. Has a regression coefficient in a positive direction of 0.096. The coefficient is positive, meaning that there is a unidirectional relationship between the competence of human resources and the optimization of fixed assets.

t test

The t test is useful for seeing how different things affect certain things (how different variables impact the dependent variable). The decision is based on the significance level, namely $t\text{-count} > t\text{ table}$ and $\text{Sig.} < 0.050$.

Table 6
Test Results t

Coefficients			
Model		t	Sig.
	Asset Procurement Planning	5,499	.000
	Regulation	-2,266	.024
	Asset Inventory	6,001	.000
	Information Systems	3,679	.000
	HR Competence	3008	.003

Source: SPSS Data Processing v.26 (2023)

- a. In table 6 it is known that in planning for asset procurement $t\text{ count } 5.499 > t\text{ table } 1.966$ with a Sig value. $0.000 < 0.050$, which means that there is a significant influence between asset procurement planning and fixed asset optimization.
- b) In the regulation $t\text{ count } -2.266 < t\text{ table } 1.966$ with a value of Sig. $0.024 < 0.050$, it can be stated that there is a significant influence between regulations on the optimization of fixed assets.
- c) In asset inventory, $t\text{ count } 6.001 > t\text{ table } 1.966$ with a value of Sig. $0.000 < 0.050$, it can be stated that there is a significant influence between asset inventory on fixed asset optimization.
- d) In the information system $t\text{ count } 3.679 > t\text{ table } 1.966$ with a value of Sig. $0.000 < 0.050$, it can be stated that there is a significant influence between information systems on the optimization of fixed assets.
- e) In the human resource competency $t\text{ count } 3.008 > t\text{ table } 1.966$ with a Sig. $0.003 < 0.050$, it can be stated that there is a significant influence between human resource competencies on the optimization of fixed assets.

F test

The F test measures how important the correlation between variables affects the dependent variable together or not. A variable is considered influential if $f\text{ count}$ is greater than $f\text{ table}$. If $f\text{ count}$ is less than $f\text{ table}$, then the variable is not considered influential. And if the value of Sig. less than 0.050 then it has a significant effect.

Table 7
Test Results f

Model		Sum of Squares	df	MeanSquare	F	Sig.
1	Regression	1326037	5	265,207	67,344	.000b
	residual	1378,331	350	3,938		
	Total	2704.368	355			

Source: SPSS Data Processing v.26 (2023)

Based on table 4.9 above, the f count is 67.344, then this value is compared with the f table value with a significance level of 5% and the f count is greater than the f table ($67.344 > 2.239$) with a Sig. of 0.000. From these results it is known that overall/simultaneously all independent variables (x) have a significant effect on the dependent variable (y).

Determination Coefficient Test

Table 8
Determination Coefficient Test Results

Model	R	R Square	Adjusted R Square	std. Error of the Estimate	Durbin-Watson
1	.700a	.490	.483	1984	2023

In table 4.10 (model summary) this shows that the value of Adj. R Square is 0.490 or 49%. This means that the independent variables, namely asset procurement planning, regulations, asset inventory, information systems and human resource competence, are able to explain the dependent variable, namely the optimization of fixed assets by 49% and the remaining 51% (100% -49%) is determined or explained by variables others that are not included in this regression analysis or research. Because R Square ranges from 0 to 1, with a note that the larger the R Square number, the stronger the variable.

DISCUSSION/RESULTS

Discussion

The Effect of Asset Procurement Planning Variables on Fixed Asset Optimization

Based on the results of statistical analysis in this study, it was found that the first hypothesis (H1) was accepted with a significance value of 0.000, which is less than 0.050. so that the hypothesis that has been formulated is in accordance with the results of the study that (H1) is accepted. This is supported by research by Sriastiti NLP, et al. (2020) that needs planning and asset valuation have a positive and significant effect on asset optimization.

Effect of Regulatory Variables on Fixed Asset Optimization

Based on the results of statistical analysis in this study, it was found that the first hypothesis (H2) was accepted with a significance value of 0.024, which is less than 0.050. so that the hypothesis that has been formulated is in accordance with the results of the study that (H2) is accepted. This is supported by research Anartany, SM (2018) that an important aspect of optimizing assets is the regulatory aspect. The regulation aims that in managing regional assets, goods users have a clear basis so that they are not careless in managing goods

Effect of Asset Inventory Variables on Fixed Asset Optimization

Based on the results of statistical analysis in this study, it was found that the first hypothesis (H3) was accepted with a significance value of 0.000, which is less than 0.050. so that the hypothesis that has been formulated is in accordance with the results of the study that (H3) is accepted. This is

supported by the research of Ardiani, S (2020) that Asset inventory and legal audit have a positive and significant impact on the optimization of fixed assets.

Effect of Information System Variables on Fixed Asset Optimization

Based on the results of statistical analysis in this study, it was found that the first hypothesis (H4) was accepted with a significance value of 0.000, which is less than 0.050. so that the hypothesis that has been formulated is in accordance with the results of the study that (H4) is accepted. This is supported by research Chodariyanti, L. (2019) that the existence of a management information system helps the process of managing finances and assets and reduces the risk of fraud from certain individuals.

The Effect of Human Resource Competency Variables on Fixed Assets Optimization

Based on the results of statistical analysis in this study, it was found that the first hypothesis (H5) was accepted with a significance value of 0.003, which is less than 0.050. so that the hypothesis that has been formulated is in accordance with the results of the study that (H5) is accepted. This is supported by research Ricardo (2017) that one of the main problems in managing fixed assets is weak human resource competence and a lack of responsibility from related parties in managing fixed assets. So that competent human resources are needed in asset management.

CONCLUSIONS

These results can be explained as follows:

- a. The variables of asset procurement planning, regulations, asset inventory, information systems and human resource competencies have a significant influence on the optimization of fixed assets. The variables that have the greatest influence on the optimization of fixed assets include the variables of asset procurement planning, asset inventory and information systems.
- b. The amount of influence given by the five variables (asset procurement planning, regulation, asset inventory, information system and human resource competency) is as big 49% to fixed asset optimization, and the remainder is equal to 51% influenced by other variables not examined in this study.

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