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Facilities and Infrastructure Governance in Supporting Service Performance at the Department of Manpower, Cooperatives, and SMEs of North Minahasa Regency

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ABSTRACT

The study addresses a practical problem in local public administration: regional apparatus organizations are required to deliver faster, more accountable, and increasingly digital services, yet many of the physical and technological assets that support those services remain insufficient, damaged, or administratively managed rather than strategically optimized. Using a qualitative descriptive design, the original thesis collected data through interviews, observation, and documentation involving officials of the department and related asset management actors. This article reorganizes the thesis into an academic journal format modeled after the Sammy IJITE article, while preserving the empirical core of the thesis. The findings show that Regional Government Asset (Barang Milik Daerah/BMD) management has been implemented through planning, procurement, utilization, maintenance, and administration, but it has not yet reached an optimal level. Planning is still not fully based on real service needs, procurement is constrained by budget limitations, utilization is affected by damaged and idle assets, maintenance remains reactive, and administration is weakened by data inconsistency and limited digital integration. The most important inhibiting factors are limited human resources, insufficient budget, inadequate facilities and infrastructure, and weak integrated management systems. The article argues that facilities and infrastructure should not be treated as passive office equipment, but as strategic service capacity. Strengthening requires needs-based planning, priority-based budgeting, preventive maintenance, digital inventory, improved human resource capacity, and service-oriented monitoring. The study contributes to public administration literature by showing how asset governance directly shapes local service performance in the fields of employment, cooperatives, and SME development.

Keywords: asset management, facilities and infrastructure, North Minahasa, public administration, Regional Government Assets, service performance.

INTRODUCTION

The performance of local public service organizations is strongly influenced by their ability to convert organizational resources into reliable public value. In regional government, this conversion is not limited to policy design, budget allocation, or leadership commitment; it also depends on the availability and governance of facilities and infrastructure. Office buildings, service rooms, computers, printers, official vehicles, archive cabinets, communication devices, training facilities, and digital support tools are often viewed as technical assets, yet they shape how quickly civil servants can process data, receive citizens, implement programs, monitor activities, and produce accountable reports. In the Department of Manpower, Cooperatives, and SMEs of North Minahasa Regency, the issue is especially important because the agency carries a wide service mandate covering manpower placement, industrial relations, competency training, cooperative guidance, and SME empowerment.

The department is expected to deliver administrative and developmental services in a context where public demand is becoming more complex and where reform-oriented governance requires speed, accuracy, transparency, and digital readiness. However, the thesis documents a gap between the service responsibilities of the department and the real condition of supporting assets. The department has office buildings that are not fully adequate, a training center facility that is described as heavily damaged or unfit, vehicles with varying levels of damage, and office equipment that is limited in number and often shared by employees. These conditions make the study of asset governance not only relevant but urgent.

In the Indonesian local government context, facilities and infrastructure are part of Regional Government Assets or Barang Milik Daerah (BMD). Their governance is regulated through the principles of planning, budgeting, procurement, utilization, security, maintenance, administration, inventory, reporting, and disposal. Normatively, BMD governance should ensure that each asset owned, borrowed, or used by a government unit contributes to the achievement of organizational goals. In practice, however, local government asset management frequently remains administrative. Assets are recorded because rules require records, but they are not always analyzed as part of the agency's service strategy. This difference between administrative compliance and strategic asset management is one of the central problems examined in this article.

The Department of Manpower, Cooperatives, and SMEs provides a strong case for examining this issue because its service outputs depend heavily on operational readiness. Manpower services require data processing, labor market information, mediation documents, and coordination with employers and workers. Cooperative and SME services require accurate databases, outreach activities, capacity-building programs, and field monitoring. Competency training requires functional buildings, tools, classrooms, and equipment. When assets are insufficient, damaged, or poorly maintained, the effect is not simply internal inconvenience; it becomes a public service problem that appears in slower administration, reduced program coverage, delayed reporting, weaker data quality, and declining citizen satisfaction.

This article follows the structure of the Sammy IJITE journal format by presenting an abstract, introduction, theoretical framework, method, findings, discussion, conclusion, implications, and references. It also uses thesis-based tables and figures in the findings and discussion sections to make the empirical argument more persuasive. The purpose is not to reproduce the thesis chapter by chapter, but to transform the thesis into a coherent scholarly article with a clear theoretical line and an integrated interpretation of findings.

The article has three objectives. First, it analyzes how BMD governance is implemented in the department through the stages of planning, procurement, utilization, maintenance, and administration. Second, it identifies the main inhibiting factors that weaken the contribution of facilities and infrastructure to service performance. Third, it formulates a strengthening model that links asset governance with service performance. The central argument is that the department has implemented BMD governance, but the implementation remains semi-optimal because the asset cycle has not yet been fully connected to real service needs, preventive maintenance, digital data, and performance monitoring.

The significance of this article is both practical and scholarly. Practically, it offers a diagnostic view for local government leaders and agency managers who need to prioritize asset improvement under fiscal limitations. Scholarly, it contributes to public administration literature by connecting asset management theory, public service performance, and local governance capacity. The case shows that public service quality is not produced only by rules, motivation, or organizational culture; it is also produced by the material and technological conditions through which officials work every day.

THEORETICAL FRAMEWORK

The theoretical framework of this article is built on five related concepts: management, asset management, Regional Government Asset governance, public service performance, and implementation capacity. These concepts are necessary because the empirical problem is not simply a shortage of equipment. It is a management problem involving planning, allocation, utilization, maintenance, recording, and evaluation. In classical management theory, the functions of planning, organizing, actuating, and controlling explain how organizational goals are pursued through the arrangement of people and resources (Terry, 2011). In the context of public organizations, these functions are not optional administrative routines; they are the mechanisms through which service mandates are translated into action.

Management theory is relevant because facilities and infrastructure must be governed across the whole organizational process. Planning determines whether asset needs are identified based on real workload and service priorities. Organizing determines who is responsible for asset records, use, security, and maintenance. Actuating determines whether personnel actually use and care for assets in line with procedures. Controlling determines whether asset condition, budget use, and service effects are monitored and corrected. When one function is weak, the asset cycle becomes fragmented. The thesis findings show precisely this pattern: planning exists, procurement occurs, and assets are recorded, but the connection among needs, budget, use, maintenance, and service outcomes remains weak.

Asset management theory strengthens this view by emphasizing that assets should be managed over their life cycle rather than treated as isolated procurement items. Asset management is a process for guiding acquisition, use, maintenance, renewal, and disposal in order to maximize service delivery potential and manage risk and cost over the asset life (Hidayat, 2012). Siregar (2004) explains that asset management has developed from static management, which focuses on control and cost, toward dynamic and strategic management, which emphasizes proactive management, accountability, information technology, and optimal utilization. This distinction is useful for interpreting the Demsi thesis because the department's practice appears closer to administrative and static management than to fully strategic asset management.

The public sector dimension of asset management is particularly important. Government assets do not exist to generate private profit; they exist to support public functions. Therefore, the value of an asset must be judged by its contribution to service delivery, institutional accountability, citizen access, and program achievement. Hariyono (2007) states that asset management assists an entity in meeting service objectives effectively and efficiently. Mardiasmo (2004) adds that local asset governance should include accurate planning, efficient and effective utilization, and continuous monitoring. These principles make it clear that a computer, service counter, training building, or vehicle is not merely a physical object. It is a resource that either enables or constrains public service performance.

Regulatory theory also matters because BMD governance is shaped by legal obligations. Permendagri No. 19 of 2016 provides the national framework for managing regional assets, including planning, procurement, utilization, security, maintenance, appraisal, transfer, destruction, deletion, administration, guidance, supervision, and control. Permendagri No. 47 of 2021 further clarifies administration through bookkeeping, inventory, and reporting. These regulations indicate that local agencies should have accurate data and accountable procedures. However, regulatory availability does not automatically produce effective implementation. Rules must be translated into systems, roles, training, budget priorities, and evaluation routines.

Public service performance theory provides the outcome lens. Service performance can be understood through effectiveness, efficiency, responsiveness, reliability, transparency, and accountability (Mahmudi, 2010; Keban, 2008). In a government office, service performance is visible when citizens can receive timely service, when data are processed correctly, when staff respond professionally, when documents are available, and when programs reach their intended beneficiaries. Facilities and infrastructure affect each dimension. Limited computers slow document processing; damaged buildings reduce comfort and safety; broken vehicles reduce field supervision; weak information systems reduce accuracy and accountability.

The implementation perspective explains why the gap between regulation and practice occurs. Edward III's framework identifies communication, resources, disposition, and bureaucratic structure as key variables in implementation (Edward III, 1980). In this case, the resource variable is especially visible: personnel, budget, equipment, information systems, and maintenance funds are insufficient. Bureaucratic structure also matters because asset management requires coordination among the department, planning units, goods treasurers, procurement actors, and the Regional Finance and Asset Agency. If responsibility is fragmented or if data are not updated regularly, implementation remains procedural but not strategic.

Digital governance theory provides another layer. Contemporary public organizations

increasingly need integrated information systems to support records, monitoring, reporting, and decision making. Heeks (2006) argues that digital systems improve government only when technology, people, processes, and institutional incentives are aligned. This insight is relevant because the thesis shows that BMD administration still faces limited digital integration. A digital asset system would not solve all problems, but it could improve data accuracy, asset tracking, maintenance scheduling, and evidence-based budgeting. Without such integration, asset governance depends heavily on manual records and individual memory.

Finally, the article uses an integrated analytical framework. BMD governance is interpreted as a cycle connecting planning, procurement, utilization, maintenance, administration, and evaluation. Each stage is assessed by its contribution to service performance. If planning is not based on real needs, procurement will not solve priority problems. If assets are used inefficiently, service outputs will remain weak. If maintenance is reactive, damage accumulates and service reliability declines. If administration is inaccurate, leaders cannot make sound decisions. Thus, the quality of BMD governance is measured not only by whether procedures exist, but by whether the whole asset cycle strengthens the department's public service capacity.

METHOD

SMEs of North Minahasa Regency. The qualitative approach is appropriate because the research seeks to understand management processes, actor experiences, institutional constraints, and the meaning of facilities and infrastructure in daily service practice. The purpose is not to measure statistical correlation, but to describe and interpret how BMD governance works in a real local government organization. See figure 1.

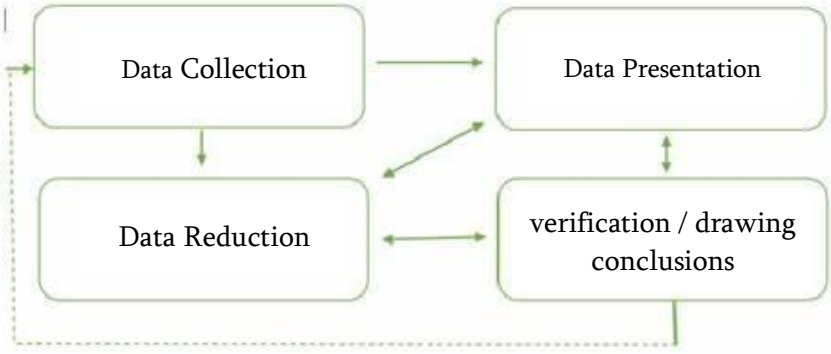

Figure 1. Interactive qualitative data analysis flow adapted from the thesis documentation

The research focus is divided into two main questions. The first concerns how Regional Government Assets are managed in supporting service performance. This focus covers needs planning, procurement, utilization, maintenance, and administration. The second concerns the inhibiting factors that affect BMD governance. This focus includes human resource limitations, budget constraints, inadequate facilities and infrastructure, and weaknesses in management systems. These questions are

directly derived from the thesis problem formulation and are retained in this journal article to preserve the thesis's empirical orientation.

Data in the article were collected through interviews, observation, and documentation. Interviews involved key officials and asset-related personnel, including the department secretary, planning officers, general affairs officers, goods treasurers, and related actors from the regional asset management institution. Observation was used to see the condition of buildings, rooms, furniture, office equipment, and service facilities. Documentation was used to review planning documents, asset records, Renstra-related information, and other institutional materials. The use of these three techniques supported triangulation and made it possible to compare what informants said with what documents and field conditions showed.

Data analysis followed the interactive qualitative model of data condensation, data display, and conclusion drawing (Miles, Huberman, & Saldaña, 2014). Interview statements and documentation were organized according to the asset cycle and inhibiting factors. The findings were then displayed in tables so that patterns could be seen more clearly. The journal article adapts these findings into matrices, summary tables, and figures. These visual materials are not decorative; they help show how asset governance problems are connected across stages and how they affect service performance.

Trustworthiness was strengthened through source triangulation, method triangulation, and consistency between empirical evidence and theoretical interpretation. The article remains faithful to the thesis findings, while reorganizing them into a concise scholarly argument. Photographs and diagrams from the thesis documentation are inserted selectively in the findings and discussion sections to illustrate the condition of facilities and the analytical flow of the study. See table 1.

Table 1. Research focus and data sources.

Focus	Sub-focus	Main data sources	Analytical use
BMD governance	Needs planning, procurement, utilization, maintenance, administration	Interviews, observations, asset records, Renstra-related documents	To describe how the asset cycle supports or constrains service performance
Inhibiting factors	Human resources, budget, facilities and infrastructure, management system	Key informants, documentation, field observation	To identify the factors that make BMD governance not yet optimal
Service performance linkage	Speed, efficiency, comfort, data accuracy, program implementation	Interview interpretation and observation of facilities	To interpret facilities and infrastructure as strategic service capacity

RESULTS AND DISCUSSION

The findings show that BMD governance in the Department of Manpower, Cooperatives, and SMEs has been implemented but has not yet achieved optimal service-oriented performance. The department has followed formal stages such as identifying needs, proposing procurement, using available assets, maintaining damaged items when possible, and recording assets. However, the problem

lies in the quality of each stage and in the weak integration among stages. Planning is still constrained by the distance between ideal needs and fiscal reality. Procurement is selective and often unable to replace damaged or obsolete assets. Utilization is affected by limited equipment and idle or damaged facilities. Maintenance is reactive rather than preventive. Administration is weakened by data inconsistency and limited digital integration.

The first major finding concerns needs planning. In principle, asset planning begins from units or fields that identify what facilities are needed to support their work. These needs are then processed through institutional planning and budgeting mechanisms. However, the thesis indicates that planning has not fully reflected real service needs. Some needs are included in proposals, but not all are realized because of budget constraints. In addition, the absence of strong data on asset condition makes it difficult to rank priorities precisely. As a result, planning tends to be formal and incremental rather than fully evidence-based.

The second finding concerns procurement. Procurement is carried out within the available budget and in line with administrative procedures, but it cannot meet the department's full operational needs. Many facilities remain old or damaged because replacement is delayed. This is significant because procurement is the stage where planning becomes material service capacity. If the procurement stage is too weak, every subsequent stage is affected. Employees must share limited computers or printers, service rooms remain uncomfortable, vehicles remain unreliable, and training facilities cannot operate optimally. Procurement limitations therefore produce a direct service effect.

The third finding concerns utilization. Assets are used to support daily work, but utilization is not always efficient or optimal. Some assets are overused because the quantity is insufficient, while other assets are idle because they are damaged, mismatched with current needs, or located in facilities that are no longer functional. The training center or BLK is an important example. A training facility should support competency development for the local workforce, but when its building and equipment are damaged, the asset becomes a symbol of unused service potential. This creates a double loss: the government still bears responsibility for the asset, while citizens lose access to training services that could improve employability.

The fourth finding concerns maintenance. Maintenance is generally conducted after damage occurs. Preventive maintenance, scheduled inspection, and systematic condition monitoring are not yet strong. This reactive pattern accelerates deterioration. Small damage becomes larger because it is not handled early; repair is delayed because funds are limited; and damaged assets continue to be used because replacements are not available. In service terms, reactive maintenance reduces reliability. Citizens experience slower service not because employees do not want to work, but because the tools and spaces required for work are not dependable.

The fifth finding concerns administration. BMD administration includes asset bookkeeping, inventory, and reporting. The thesis shows that data in asset records are not always fully synchronized with physical conditions in the field. Updates are not consistently carried out, and limited human resources make it difficult to maintain accurate records. This creates a management problem because leaders need accurate asset data to plan procurement, calculate maintenance needs, justify budget proposals, and decide whether assets should be repaired, renewed, or removed. When data are inaccurate, asset policy becomes less evidence-based.

The condition of facilities and infrastructure reinforces these findings. The thesis describes two office buildings with borrowed-use status or inadequate condition, one BLK facility with heavy damage, operational vehicles with damage, and office equipment that is limited and partly damaged. The availability of computers, laptops, printers, chairs, desks, cabinets, and air conditioning is not proportional to workload. In an organization with wide service mandates, this condition weakens the speed and quality of administration. See table 2, 3 and 4.

Table 2. Summary of BMD governance findings.

BMD governance stage	Main empirical finding	Service performance implication
Needs planning	Planning is conducted through administrative proposals, but it is not yet fully based on real asset condition, workload, and service priority.	Service needs are not always translated into accurate asset priorities.
Procurement	Procurement follows procedure but is constrained by limited budget and therefore cannot replace all damaged or insufficient assets.	Employees continue to work with limited equipment and service tools.
Utilization	Some assets are overused while other assets are idle because they are damaged or not aligned with current operational needs.	Service delivery becomes inefficient, and training potential is underused.
Maintenance	Maintenance is generally reactive and underfunded; preventive schedules and SOPs are weak.	Damage accumulates and service reliability declines.
Administration	KIB data and physical condition are not always synchronized; digital integration is limited.	Decision making, budgeting, and accountability are weakened.

Table 3. Condition of facilities and infrastructure based on thesis findings

Asset category	Condition described in the thesis	Management meaning
Office buildings	Two office buildings are reported as borrowed-use or not fully adequate.	The service environment does not fully meet the need for comfort, safety, and representativeness.
BLK facility	One training facility is heavily damaged or not usable optimally.	Competency training capacity is reduced and an important public asset becomes idle.
Vehicles	Motorcycles and four-wheeled vehicles are damaged or moderately damaged.	Field monitoring, outreach, and coordination become less reliable.
ICT equipment	Computers, laptops, printers, and related tools are limited, shared, or damaged.	Administrative speed, data quality, and digital service readiness are weakened.

Furniture and office support	Desks, chairs, cabinets, air conditioning, and supporting tools are inadequate in number and condition.	Employee productivity and citizen comfort are affected.

Table 4. Inhibiting factors in BMD governance

Inhibiting factor	Empirical pattern	Policy direction
Human resources	Limited number of asset-management personnel, overlapping tasks, and uneven understanding of regulations and systems.	Training, clearer task distribution, and stronger technical assistance.
Budget and financing	Available budget is unable to meet real needs; many planned items are postponed.	Priority-based budgeting linked to service impact and asset risk.
Facilities and infrastructure	Many assets are insufficient, damaged, not fit for use, or idle.	Gradual rehabilitation, replacement, and utilization review.
Management system	Maintenance SOPs, digital inventory, integrated reporting, and regular evaluation are not yet strong.	Digital BMD system, preventive maintenance schedule, and periodic asset audits.

The findings can be interpreted as evidence of partial asset management capacity. The department is not without governance; it has procedures, actors, records, and awareness of asset needs. However, the governance system remains closer to static management than strategic management. In Siregar's terms, static management emphasizes control and cost, while strategic management emphasizes effective and efficient service-oriented management, operational monitoring, and the use of information technology (Siregar, 2004). The Demsi thesis shows that the department has not yet fully moved into this strategic stage.

From the perspective of management theory, the weakness is visible in the incomplete connection among planning, organizing, actuating, and controlling. Planning has not been fully based on real condition data and service priority. Organizing is constrained by limited personnel and overlapping duties. Actuating is affected by the fact that employees must work with inadequate assets. Controlling is limited because maintenance and data updating are not systematic. Terry's management functions therefore help explain why BMD governance cannot be judged only by the existence of procedures (Terry, 2011). The issue is whether the functions operate as a coherent system.

Asset management theory also clarifies the problem. Assets have a life cycle. If the life cycle is not managed, deterioration becomes normal and the organization becomes accustomed to substandard service conditions. Planning without accurate inventory creates misaligned proposals. Procurement without priority ranking creates partial solutions. Utilization without monitoring creates overuse and idle assets. Maintenance without a preventive schedule creates recurring damage. Administration

without digital integration creates data uncertainty. These stages are not separate; weakness in one stage reproduces weakness in the next.

The findings are also consistent with public service performance theory. Mahmudi (2010) connects public sector performance with outputs and outcomes that are measurable, accountable, and aligned with public goals. In this case, facilities and infrastructure are input factors that shape service outputs. Limited computers and printers slow document processing; damaged rooms reduce comfort and professionalism; damaged vehicles limit field supervision; inadequate training facilities reduce program achievement. Therefore, asset governance should be seen as a determinant of performance, not merely as a supporting administrative issue.

Edward III's implementation variables provide a useful diagnostic. The resource variable is the most visible because the department faces limited personnel, budget, equipment, and technological support. However, the bureaucratic structure variable is also important because asset management requires coordination among the department, planning units, procurement mechanisms, and the regional finance and asset agency. Communication matters because needs and damage reports must move quickly from users to decision makers. Disposition matters because asset care and reporting require commitment from officials and users. The thesis therefore illustrates how implementation constraints are multidimensional (Edward III, 1980).

Budget limitation is a dominant constraint, but it should not be interpreted as the only cause. Fiscal limitation is real; not all needs can be funded at once. However, a strategic asset governance system can still improve prioritization. If the department has accurate asset condition data, clear service priorities, and a preventive maintenance plan, limited funds can be directed toward the assets that have the greatest service impact. Without such a system, budget scarcity tends to produce reactive spending and delayed repairs. The policy lesson is that better management does not eliminate scarcity, but it makes scarcity more governable.

Human resource capacity is another key issue. Asset governance requires personnel who understand regulations, asset classification, inventory methods, condition assessment, budgeting cycles, and digital systems. When asset officers have limited training or hold multiple duties, BMD management becomes dependent on routine compliance. The department needs capacity building not only for asset officers but also for service units that use the assets. Each unit should understand how to report damage, justify needs, use assets efficiently, and support data accuracy. Asset governance is therefore an organizational competence, not merely the responsibility of one goods treasurer.

The digital dimension is particularly important for future improvement. Digital inventory and reporting systems can help solve data inconsistency, slow reporting, and weak maintenance scheduling. However, digitalization must be implemented carefully. Heeks (2006) warns that technology fails when organizational processes and human readiness are ignored. A digital BMD system should therefore be accompanied by training, clear data standards, user roles, periodic verification, and leadership commitment. The goal is not simply to own software; the goal is to produce reliable data for decisions.

The discussion also shows that facilities and infrastructure governance is connected to equity of service. Citizens who visit the department expect a decent service space, clear information, and timely administrative support. Workers and employers need reliable industrial relations services. Cooperatives and SMEs need data-driven guidance and outreach. Job seekers need training facilities and employment

information. When the department lacks adequate assets, the burden is not only internal. It falls on citizens whose access to government service becomes slower and less predictable.

A service-oriented BMD strengthening model should therefore contain six pillars. First, needs-based planning should be anchored in Renstra, workload, service standards, and real asset condition. Second, priority-based budgeting should rank assets according to their direct effect on public service. Third, preventive maintenance should be institutionalized through schedules, inspection forms, and budget allocation. Fourth, digital administration should improve inventory, KIB accuracy, reporting, and maintenance tracking. Fifth, human resource capacity should be strengthened through training and clearer role distribution. Sixth, service monitoring should connect asset condition with service indicators such as speed, accuracy, comfort, and program coverage.

The model proposed in this article moves the department from administrative asset management to strategic service asset management. Administrative asset management asks whether assets are recorded. Strategic service asset management asks whether assets are adequate, functional, fairly distributed, maintained, documented, and linked to service performance. This distinction is crucial because a government office may appear compliant on paper while still failing to provide adequate service support in practice.

The photographs included in the findings are not merely illustrations. They give visual evidence that the issue is concrete. Buildings, rooms, and equipment form the material environment of public administration. When those environments are damaged, overcrowded, or technologically weak, the ideals of bureaucratic reform become difficult to realize. The discussion therefore supports a broader view of reform: improving public service requires not only changing attitudes and procedures, but also improving the material infrastructure through which service is delivered. See figure 2 and 3, table 5 and 6.

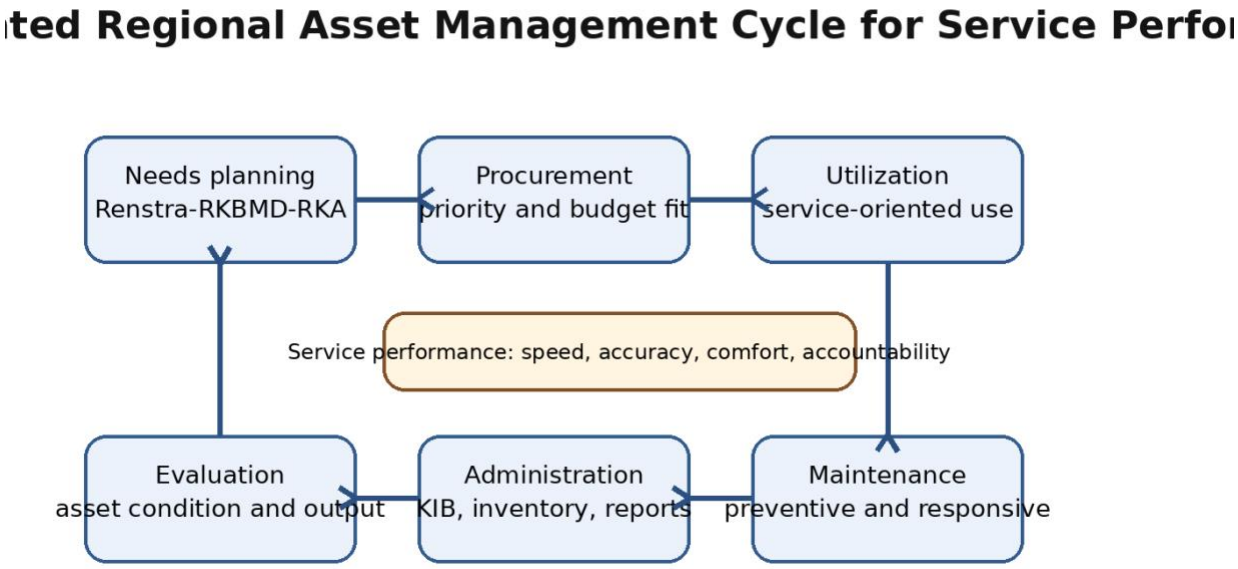

Figure 2. Integrated asset management cycle for service performance, synthesized from the thesis findings.

Table 5. Analytical matrix linking findings, theory, and solution direction

Finding	Theoretical interpretation	Solution direction
Planning is not fully needs-based	Management planning should connect facts, assumptions, and future action (Terry, 2011); asset planning should reflect past, present, and future needs (Mardiasmo, 2004).	Use condition surveys, service workload, Renstra targets, and RKBMD synchronization.
Procurement does not meet real needs	Asset acquisition must support service delivery potential and manage life-cycle cost (Hidayat, 2012).	Rank procurement by service urgency, asset risk, and public value.
Utilization includes overused and idle assets	Strategic asset management requires efficient and effective use and monitoring (Siregar, 2004).	Conduct utilization audits and redeploy, repair, or dispose of idle assets.
Maintenance is reactive	Asset maintenance should ensure assets function in best condition at the lowest feasible cost (Sugiama, 2013).	Prepare preventive maintenance SOPs, inspection schedules, and dedicated maintenance budget.
Administration lacks integration	Public asset accountability requires accurate records and reporting (Permendagri No. 47, 2021).	Strengthen digital inventory, KIB updates, verification, and reporting responsibility.

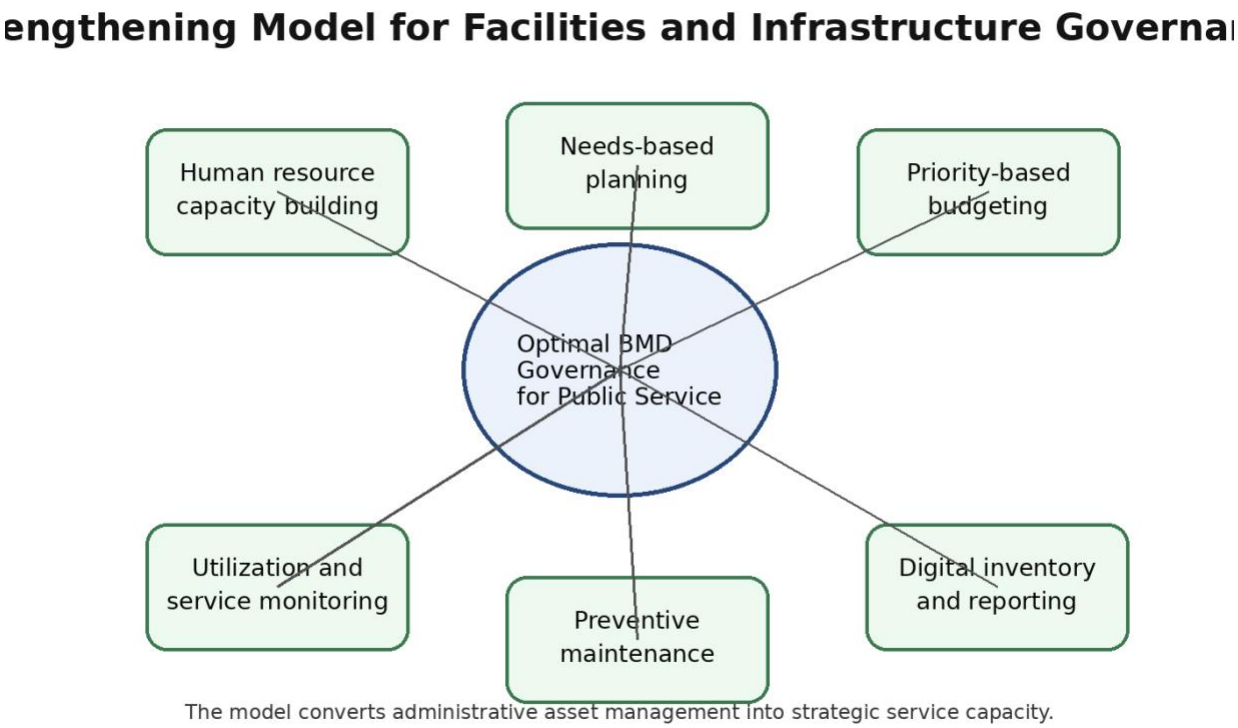

Figure 3. Proposed strengthening model for facilities and infrastructure governance.

Table 6. Strategic strengthening agenda

Strategic pillar	Main action	Expected institutional effect	Expected service effect
Needs-based planning	Integrate asset condition data, service standards, Renstra, RKBMD, and RKA.	More accurate asset priorities.	Faster and more relevant service support.
Priority-based budgeting	Allocate funds based on service impact and asset risk.	Budget scarcity becomes more manageable.	Critical service assets receive earlier attention.
Preventive maintenance	Create maintenance SOPs, schedules, and inspection forms.	Reduced accumulation of damage.	More reliable service facilities.
Digital administration	Develop or optimize digital inventory, reporting, and maintenance tracking.	Better data accuracy and accountability.	More transparent and evidence-based service management.
Human resource capacity	Train asset officers and unit users in BMD	Higher competence and shared responsibility.	Less delay in reporting, repair, and planning.

	governance and digital systems.		
Service-oriented monitoring	Link asset condition to service indicators and program achievement.	Asset management becomes strategic rather than merely administrative.	Improved citizen experience and organizational performance.

Practical and Scholarly Implications

The practical implication is that regional leaders should treat facilities and infrastructure improvement as a core service reform agenda. Asset needs should be assessed through service impact, not merely through routine office requests. A damaged BLK, inadequate computers, or unreliable vehicles should be interpreted as risks to service performance. Budget decisions should therefore prioritize assets that unlock the greatest public value.

The scholarly implication is that local public administration research should pay more attention to the material conditions of governance. Many studies focus on policy communication, leadership, motivation, and coordination, but the Demsi case shows that service performance is also shaped by buildings, technology, equipment, records, maintenance routines, and the capacity to manage these resources strategically. Asset governance is thus an important bridge between administrative theory and everyday service reality.

The study also suggests future research directions. Comparative studies could examine asset governance across different departments or districts. Quantitative studies could measure the relationship between asset adequacy and service satisfaction. Action research could test digital inventory and preventive maintenance models in local agencies. These future studies would deepen the understanding of how asset governance contributes to public value in decentralized government.

The Demsi thesis ultimately reminds us that public service reform is grounded in everyday work conditions. Grand concepts such as accountability, responsiveness, and digital bureaucracy require desks, rooms, networks, computers, vehicles, training spaces, records, and maintenance systems. When these material foundations are weak, even committed officers face difficulty delivering high-quality service. Conversely, when facilities and infrastructure are planned, maintained, and monitored strategically, they become instruments for improving productivity, transparency, and citizen trust.

In practical terms, implementation can begin with a phased roadmap. The first phase should focus on asset verification and condition mapping. The second phase should classify assets by service impact and risk. The third phase should prepare a priority maintenance and procurement plan. The fourth phase should strengthen digital recording and reporting. The fifth phase should integrate asset indicators into performance evaluation. This phased approach is realistic because it recognizes fiscal and human resource constraints while still moving the organization toward strategic asset governance.

The proposed model in this article therefore has both administrative and strategic functions. Administratively, it helps the department comply with BMD regulations through better planning, records, maintenance, and reporting. Strategically, it helps the department identify which assets matter most for public service and how limited resources can be allocated to maximize benefit. This dual function is important because public asset governance must satisfy accountability requirements while also improving service outcomes. A system that is accountable but not useful remains incomplete; a system that is useful but not accountable is risky. The desired condition is both accountable and useful.

The broader implication is that asset governance should be integrated with performance management. The department already has service mandates and performance targets. Asset data should be used to explain why certain targets are achieved or not achieved. If training targets are low because BLK facilities are damaged, this should appear in performance analysis. If administrative services are slow because computers and printers are limited, this should be included in internal evaluation. By linking asset condition with performance results, the organization can move from anecdotal complaints to evidence-based improvement.

The human resource dimension is equally central. Asset management requires technical competence, regulatory understanding, and organizational communication. The thesis indicates that limited personnel and overlapping duties weaken BMD governance. This suggests that capacity building should not be occasional. It should become a planned program covering the asset cycle, regulations, procurement planning, maintenance planning, inventory techniques, reporting, and use of digital systems. Training should also involve unit heads and service staff because they are the first users of assets and the first people who observe damage or insufficiency.

The administration stage should also be reframed. Inventory is not merely a historical record of ownership. It is a living database that supports planning, budgeting, monitoring, and accountability. When KIB data do not match field conditions, the organization loses the ability to make evidence-based decisions. Inaccurate data can lead to repeated proposals, missed maintenance needs, difficulty in audit, and weak budget justification. Digital inventory can help, but only if data entry, verification, and updates are disciplined. Therefore, digitalization must be accompanied by institutional routines: periodic physical checks, reconciliation between users and asset officers, clear deadlines for updates, and supervisory review.

The department therefore needs a maintenance register that records asset identity, location, condition, date of inspection, type of damage, estimated repair cost, responsible officer, and follow-up status. This register can begin in a simple spreadsheet or be integrated into a digital asset system. What matters is that the information becomes a managerial tool. Leaders should be able to see which assets are deteriorating, which repairs have been delayed, and which items create the highest service risk. Without this information, maintenance remains dependent on ad hoc reports and personal initiative.

Maintenance is perhaps the most visible sign of whether an organization manages assets strategically. Reactive maintenance means that the organization waits until damage occurs before acting. This approach is often more expensive in the long run because minor damage becomes major damage, service disruption becomes normal, and replacement is postponed until assets become almost unusable. Preventive maintenance, by contrast, treats inspection, cleaning, minor repair, and condition monitoring as part of routine management. For public service organizations, preventive maintenance is a form of service protection because it reduces the probability that citizens will experience delay or discomfort due to damaged facilities.

Utilization is another area that requires stronger managerial attention. The thesis indicates that some assets are overused because they are limited, while other assets are idle because they are damaged or mismatched with current needs. Both conditions represent inefficiency. Overused assets deteriorate faster and create queues in internal work processes. Idle assets represent sunk costs and lost public value. A utilization audit can help identify which assets are used intensively, which are underused,

which need repair, which should be transferred, and which should be proposed for deletion. This kind of audit can be simple, but it must be regular and tied to decision making.

Procurement should then be evaluated by whether it closes the most important service gaps. A procurement package that adds minor office comfort while leaving a key service bottleneck unresolved may be administratively valid but strategically weak. Conversely, replacing a limited number of high-impact assets, such as computers for service data processing or equipment for training delivery, may generate significant service improvement. This is why the article argues for priority-based budgeting. It is not merely a financial technique, but a way to align limited resources with public value.

The thesis also shows the importance of asset prioritization under budget scarcity. Limited budget is a common reality in regional government, and it is unrealistic to expect that every damaged or insufficient asset can be replaced immediately. However, scarcity makes prioritization more important, not less. Priority should be based on transparent criteria such as service urgency, number of beneficiaries affected, risk of service failure, repair cost compared with replacement cost, and contribution to strategic targets in the Renstra. Through this approach, the department can justify budget proposals more convincingly and avoid the impression that asset requests are only routine office demands.

This logic has implications for planning. Needs planning should not simply collect requests from each field or unit. It should begin with a systematic diagnosis of service tasks, service targets, workload, asset condition, and risk. For example, if the department needs to improve job placement services, the planning process should identify the digital tools, data systems, staff workstations, and communication facilities required to support labor market information. If the department needs to expand cooperative and SME guidance, planning should identify transportation, outreach equipment, data collection tools, and reporting systems. If competency training is a priority, BLK facilities should be treated as strategic infrastructure, not as ordinary buildings awaiting occasional repair.

The distinction between asset availability and asset functionality is crucial. Availability refers to whether an asset exists in the record or in the office. Functionality refers to whether the asset can actually support work at the required standard. A damaged computer may still appear in an inventory list, but it cannot help an officer process employment data. A BLK building may still be counted as a regional asset, but if it is heavily damaged it cannot support competency training. A vehicle may still be owned by the office, but if it is unreliable it cannot support field monitoring. Therefore, service-oriented BMD governance must measure not only quantity and ownership, but also usability, reliability, condition, location, and relevance to service duties.

A deeper reading of the thesis suggests that the main problem is not only the physical shortage of assets, but the absence of a complete service-capacity logic in asset governance. In many local government offices, facilities and infrastructure are managed through a compliance lens: goods must be recorded, inventory lists must exist, reports must be submitted, and procurement must follow procedure. These requirements are important because public assets must be accountable. However, compliance alone does not guarantee that assets are adequate, usable, strategically distributed, or connected to service outcomes. The Demsi thesis shows that a government organization can follow formal routines while still experiencing weak service support because the assets recorded on paper do not necessarily function well in practice.

Extended Discussion: From Asset Records to Service Capacity

Finally, the case can be used as a model for other regional apparatus organizations. Many departments face similar constraints: limited budget, old buildings, insufficient digital devices, and weak inventory updates. The Demsi thesis offers a transferable lesson that improvement does not have to begin with large-scale procurement. It can begin with better data, better prioritization, clearer maintenance routines, stronger personnel capacity, and stronger linkage between assets and service targets. These steps are feasible for local governments and can gradually build a more disciplined asset governance culture.

Community impact should also be emphasized. Citizens rarely see the internal complexity of BMD management. They usually experience only the result: whether the office is comfortable, whether the officer can access data, whether documents are processed quickly, whether training is available, and whether field services reach them. For this reason, asset governance has a public legitimacy dimension. A government office with poorly maintained facilities may create the impression of weak institutional seriousness even when employees work hard. Conversely, a functional and orderly service environment communicates readiness, respect, and accountability to the public.

The article also underlines the importance of leadership attention. Asset governance may be technically handled by specific officers, but it cannot succeed without managerial direction. Leaders determine whether asset data are discussed in meetings, whether maintenance is included in annual planning, whether service units are required to report asset conditions, and whether asset priorities are defended in budget forums. Leadership is also needed to change organizational culture. If damaged facilities are treated as normal, employees gradually adapt to low standards. If leaders consistently connect asset condition with service quality, employees are more likely to see asset care as part of professional responsibility.

Another important lesson concerns the relationship between asset governance and organizational learning. When asset problems are recorded only as complaints, the organization does not learn systematically. The same problems reappear in the next planning cycle, and the same explanation is repeated: budget is limited, equipment is damaged, and facilities are insufficient. Organizational learning begins when these complaints are converted into categorized evidence. For example, damage reports can be grouped by asset type, location, service function, frequency, and repair cost. Over time, leaders can identify whether the most serious problems occur in digital equipment, buildings, vehicles, or training facilities. This kind of learning allows the organization to move from reactive responses to strategic diagnosis.

The study also encourages a more balanced interpretation of local government weaknesses. It would be too simple to blame individual officers for slow service when the empirical evidence shows that they often work with inadequate tools, limited rooms, and damaged facilities. At the same time, it would also be insufficient to blame budget scarcity alone, because better planning, inventory, maintenance, and prioritization can still improve the use of available resources. A fair interpretation must therefore combine structural constraints with managerial responsibility. This balanced reading is important for producing recommendations that are realistic, constructive, and administratively useful.

For journal publication, the originality of the article lies in its effort to position facilities and infrastructure as an analytical entry point for understanding public service performance. The study does not only report that assets are limited; it explains how limitations travel through the management

cycle and finally appear as service delays, weak data quality, reduced outreach, and underused training capacity. This makes the article useful for scholars who study public administration at the local level, because it shows that administrative performance is produced through the interaction of regulation, personnel, budget, technology, and the material environment of work.

In this sense, the article supports a practical reform sequence: first understand the real asset condition, then link it to service standards, then decide priorities, and finally monitor whether the selected improvements actually improve service. Such a sequence is simple, but it changes the logic of asset governance. It shifts attention from ownership to usefulness, from reporting to learning, and from annual routine to continuous improvement. For the Department of Manpower, Cooperatives, and SMEs, this shift is essential because its public mandate depends on reliable administrative tools, adequate service rooms, functional mobility, and training infrastructure that can support citizens, workers, cooperatives, and small businesses.

CONCLUSION

The main conclusion is that BMD governance has been implemented, but it remains not yet optimal. The department carries out planning, procurement, utilization, maintenance, and administration, yet each stage still contains weaknesses that reduce the contribution of assets to service performance. The findings show that planning is not fully based on real service needs and accurate condition data; procurement is constrained by budget limitations; utilization is affected by damaged and idle assets; maintenance is reactive and underfunded; and administration is weakened by inconsistent updates and limited digital integration. These weaknesses are mutually reinforcing. They produce a situation in which facilities and infrastructure are available in some form, but not sufficiently reliable as a foundation for modern public service. The main inhibiting factors are limited human resources, limited budget, inadequate facilities and infrastructure, and weak integrated management systems. These factors directly affect service performance by slowing administrative work, reducing comfort, limiting field mobility, weakening training capacity, and lowering data quality. The study therefore confirms that asset management is a strategic determinant of local government service performance. The article recommends a strengthening agenda based on needs-based planning, priority-based budgeting, preventive maintenance, digital asset administration, human resource capacity building, and service-oriented monitoring. If these strategies are implemented, the department can shift from reactive and administrative asset management toward integrated and strategic BMD governance. In the long term, stronger asset governance will support better employment services, cooperative development, SME empowerment, and public trust in local government.

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