

Assets as Welfare Instruments: The Interpretation in Local Financial Management Perspectives

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This study discusses the interpretation of local government assets. This study aims to uncover the interpretation of local government assets in the actors' perspective. Researchers use the interpretive paradigm with a phenomenological approach. This study was conducted in Kendari City with local financial management officials as research informants. The study results showed that assets were interpreted as welfare instruments, both individual, organisational and society welfare. The assets usage to improve the society welfare was more important than the individual and organisations' welfare. It was indicated that the value of social welfare exceeds the personal interest. Efforts to realise the ideals of prosperity in assets' usage were a reflection of leadership norms to always adhere to principles of prevailing legal norms and systems, and these all come from God teachings through religion and customs. This study was expected to contribute to enrich the concept of public sector assets, especially local government assets and can be utilised by local governments to develop a more effective and efficient asset management and reporting system.

Key words: *Assets, Interpretation, Local Financial Official, Phenomenology.*

Introduction

Research Background

Criticism to the public sector that it tends to be bureaucratic, inefficient, and corrupt, encourages the reform of the public sector. These reforms have brought various practices in the public sector based on practices in business sector. Accounting reform was an important part of New Public Management (NPM) and the first stage of government reform, followed by reform in government management, organisations and other parts of public administration

(Christiaens, 1999). Djamhuri and Mahmudi (2006) suggested that implications of the NPM model adoption were the need for a number of reforms in the public sector, such as accounting and budgeting, financial management, audit reforms and institutional reforms.

Public sector reform obedience to NPM principles was expected to drive public sector organisations (government) to become more efficient and effective, including in assets management and reporting. However, efficiency and effectiveness of government asset management and reporting were still covered by various obstacles and problems. Asset management has problems in adopting the NPM concept. Arnaboldi and Lapsley (2010) on asset management of three local governments in Scotland, showed differences in effectiveness of asset management in three regions. This was due to differences in perceptions and policies of local governments to improve asset management and reporting.

Furthermore, Hanis et al. (2011) showed constraints faced by local governments in Indonesia when adopting a public asset management system. It revealed several significant obstacles faced by local governments in adopting a public asset management system, namely the absence of an official institutional framework to support asset management applications, non-profits' principles of public assets, objectives' complexity of local governments, lack of data availability to manage public buildings and limited human resources. These constraints have an impact to give low quality to asset management and reporting in local government financial reports.

Management of government assets has also not been done efficiently and effectively. The Indonesia Republic of Financial Audit Agency (BPK) still finds that a waste of budget in all ministries and government institutions, especially on employee official travel (Pikiran-rakyat.com, 2014). Inefficient and ineffective asset management can also be seen in assets' usage by government officials that were not in accordance with their designation. There were several local leaders who allow the use of official cars for holidays (Kompasiana.com, 2015).

Local assets that actually belong to society were mandated to be managed by government to provide maximum benefit for society welfare, but it was not yet optimal and even tends to be counterproductive. As leaders and servants of society, it was appropriate to not misuse the trust that has been given by society to them, including the management of local assets under their control. Therefore, it was interesting to ask how local officials interpret the local assets mandated by society to them.

Comprehension of the concept of assets in the public sector, especially local governments, was the main determinant of asset management and presentation of financial statements. Assets were the largest component of a local government financial report. Management and reporting of local government assets were very strategic in providing services to society.

Good asset management will strongly support the process to provide services to society (Jolicoeur and Barret, 2004).

Asset management and reporting were constantly changing from time to time in an effort to meet the needs of government and society. This was the result of human creativity, created as an effort to answer the activities, believed to be created through the process of social interaction in society (Hines, 1989). The culture has a crucial role in creation of asset management and reporting systems. Organisational values and culture were very influential in their interpretation of assets accounting (Widati, 2011).

The above phenomenon revealed that asset management and reporting always evolved according to their environment. Assets could be interpreted differently by different actors. Therefore, studying the assets' meaning in local government becomes more interesting and motivates researchers to choose this topic. This study will explore the interpretation of assets understood by local financial management actors (Hossain et. al., 2020, Chen et. al., 2029). A holistic comprehension of how the Local Financial Official interprets the assets can only be obtained through exploration of the behaviour of the actors. This study was different from previous studies. It explores the interpretation of assets in the perspective of local financial management actors using the interpretive paradigm and transcendental phenomenology as an analytical tool.

Research Focus and Problem Formulation

The above phenomenon shows that assets comprehension and commitment of the Local Financial Official to efficiency and effectiveness in asset management was built based on values inherent in themselves and their environment. These were crucial components to do asset management and reporting. Therefore, the research focus was the interpretation of Local Financial Officials on local government assets. The problem formulation was how the interpretation of assets was understood by the Local Financial Official.

Research Aims

The aim of this study was to describe the interpretation of assets by the Local Financial Official. Theoretically, this study was expected to contribute knowledge for theory development, especially in financial accounting and behavioural accounting of the public sector. Practically, this study may provide additional information that was useful for local financial actors to improve asset management and reporting in local governments. Researchers can use it as a reference to develop further studies.

Literature Review

Concept of Assets in Government Organisations' Context

Assets, in the context of government organisations, were defined as economic resources controlled and/or owned by government as a result of past events and future economic and/or social benefits that were expected to be obtained, both by government and society; they can be measured in money units, including non-financial resources needed for provision of services to general public and resources maintained for historical and cultural reasons (PP 71 year 2010). Government assets can be grouped into current assets and non-current assets or fixed assets (Ulum, 2008: 175). Government fixed assets include land, buildings, equipment and machinery, roads, irrigation and networks, construction in progress, and other fixed assets (Tanjung, 2012: 53-54).

Fixed assets (capital goods) owned by government were used to serve the public. There were also assets that were expected to provide cash flow to the government itself in the future. However, there were a number of capital goods purely intended for social services. These capital goods include public facilities, city parks and historical heritage items. Accounting recognition and treatment of government capital goods can be distinguished from capital goods for economic/business and social/cultural (Christiaens et al. : 2012).

Grubisic et al. (2008) suggested that public assets can be classified as follows:

- a. Financial assets include cash, receivables, contractual rights to exchange financial instruments with other companies in potentially favourable conditions, other companies' equity instruments, and shares of assets in state-owned enterprises.
- b. Physical assets consist of inventories, long-term fixed assets, infrastructure, inheritance assets, defence assets, natural resources, society assets, and intangible assets.

Government Asset Governance: From Public Administration to Good Governance

Sindane (2004) explained that public administration was an integrated organisation - mobilisation and management of human and material resources to achieve government goals. Public administration is the responsibility of government. The concept of accountable governance was put in place before the government was flawed by corruption, and before public officials began to be perceived as bureaucrats to act without responsibility for their actions. This concept has been revived and popularised with the NPM approach.

The government tends to be associated with broader trends in the international public sector reform, regarding the management of public expenditure and resources usage that must be concerned with the two basic concepts of governance and transparency. Public administration

in the NPM model tends to become accommodative based on higher society involvement as the customers, and higher transparency and accessibility of public information to public. This encourages efficient control and strengthens the level of accountability proactively to manage public resources. Therefore, three important issues of the NPM model are: integrated society services, value of taxpayer money, and public service responsibility of human resources (Bourgon, 2007).

Good governance was defined as the way to use power to manage a country's economic and social resources for development. Good governance was exemplified by predictable and enlightened policy making (a transparent process); the bureaucracy was imbued with a professional spirit; the executive was responsible for his actions; and a strong civil society participates in public affairs and all behaves in according to rule of law. Good governance was a model of government that has produced trends from government to government (Argyriades, 2006). Government asset management based on principles of good governance will support the creation of efficient and effective asset management in the framework of service delivery and improvement of society welfare (Grubisic et al., 2008).

Research Methodology

Types and Paradigm of Research

Comprehension of the assets meaning can be obtained through qualitative research. The qualitative research aims to get a comprehension of phenomena experienced by the researcher (research subject), such as perception, motivation, action, and behaviour, holistically, and described in the form of language and words, in a special natural context and utilising various natural methods (Moleong, 2008: 6). Qualitative research refers to procedures to produce qualitative data in form of expressions and notes and their observed behaviour (Bogdan and Taylor, 1993: 30) and designed to help researchers understand society and what it says and does (Myers, 2009: 5).

The interpretive paradigm was the right choice to get a holistic comprehension of the assets meaning. Interpretive paradigm seeks to recognise the world by approaching its own subjective experience. More orientation was aimed to get subjective comprehension when created "as it is" in the process (Burrell and Morgan, 1979: 31).

Local government assets should be interpreted in a naturalistic manner. It was more appropriate to use a phenomenological approach to explore the phenomena occurring in social research sites. Phenomenology was a school of philosophy and at the same time a method of thinking introduced by Husserl which departs from phenomena as they appear (Ferguson, 2001: 232). The more suitable to reveal the interpretation of local government

assets was transcendental phenomenology. We must return to objects themselves and objects must be given the opportunity to speak through phenomenological descriptions in order to find the nature of symptoms (Husserl, 1980). Human consciousness (noesis) actively contains objects of experience (noema). This principle must be the basis for any qualitative research about the practices and behaviours that shape reality (Holstein and Gubrium (2009: 336).

Social Research Sites and Informants

The main objective of this research was to explore the interpretation of local government assets. Kendari City was established as a social research site. The selection of the research location was determined based on consideration that Kendari City temporarily has done the process of developing financial governance of assets and giving access to the availability to research. The selection of key informants was done by purposive sampling and snowball sampling technique. The research population consisted of Mayor and Deputy Mayor of Kendari, the Local Secretary, Local Financial and Asset Management Officials, and the Chairman of Commission of Local People's Representative Council of Kendari City.

Data Collection and Analysis Methods

This study collaborated with several methods to explore social reality as an empirical material, namely observation, in-depth interviews, and analysis of text and documentation. Enrichment of empirical materials used the interview method complemented by observation and documentation. Sutopo (2003) in Ludigdo (2007: 100) states that data sources were very important in qualitative research of the informants.

The data analysis refers to the model developed by Sanders (1982) with four steps of analysis, namely: 1) description of data using transcription media from interviews with informants, 2) identification of important themes revealed in the description, 3) data analysis through developing noetic/noumatic correlation between noema and noesis through subjective reflection of researchers, and 4) essence abstraction from chakra noema with noesis.

Research Results

The local government aims to improve the level of economic and social society welfare. The local government contribution was not only based on criteria of "value for money" but also related to the dimension of life quality (Bend and Dent, 1998). Local governments have different objectives to private sector organisations. The functions and usage of local government assets will not be exactly the same as the private sector. Therefore, the function and usage of local government assets have an impact on assets meaning for Local Financial

Officials. The discussion of assets in this study was more to physical assets consisting of fixed assets, infrastructure, and historical heritage assets.

Local governments invest large funds for public service facilities. These include facilities to support administrative activities to implement basic tasks and government functions, such as office, inventory, machinery and equipment, and operational vehicles, as well as society service infrastructure such as roads, bridges, markets and hospitals. La Mili (6 April 2015) said that assets were capital goods or inventories utilised for office or service activities for society. Furthermore, Minarni said that "We use the most assets in government administration such as office, inventory, and official vehicles" (Minarni, 2 March 2015).

Based on this statement, assets were capital used in government operational activities and service to the public. Furthermore, Susanti said that:

"We try to use the local government assets as optimal as possible. In general, we used assets in daily operations service to public such as office buildings, equipment and vehicles." (Susanti, March 9, 2015).

Local government operational assets were used by apparatus within the scope of local government in their daily duties and functions. There were local government assets that were only used by certain officials such as official vehicles, official homes, and office inventories such as laptops. There were also certain assets such as office buildings, inventories, and vehicles for general operational assets.

Local government assets were generally used as a facility for Local Financial Official and society, therefore these assets were welfare instruments. Welfare assets were capital goods used in the framework of public service both by local governments and used directly by society (Murphy, 2012). This was done in order to improve the welfare of all stakeholders from local government, especially the society. Local governments can intervene in social welfare through 3 (three) scopes, namely the scope of individual (micro) welfare, the scope of group/society welfare (mezzo), and the scope of society welfare (macro) (Adi, 2005: 141-145)

Assets for Individual Welfare

Each position in local government, starting from Mayor/Deputy to a position at the level of the Local Work Unit were equipped with supporting facilities for implementation of government duties in accordance with their respective levels. These facilities were official homes, official vehicles, and several other supporting facilities such as laptops. These local

government assets were expected to be used as optimally as possible in supporting the implementation of operational tasks of local governments.

Official assets of vehicles were brought home by officials because of several activities done outside office hours related to his status as a public official. In connection with this, Asrun said that:

"It was no problem for me, there was no problem, don't too straight. We were given facilities to make everything easier, so that work can run smoothly. Yes, for example, he works not only in office but maybe he socializes in society. ... Of course there were ethical restrictions to use official vehicles. ... But if you want to pick up your child, just let it happen, because if your child was not picked up, it will also be a burden on your mind at work. Principally, the assets should not be used in a place that violates ethics in society. Because that's also part of their welfare "(Asrun, May 7, 2016).

The use of official vehicles outside service hours was considered reasonable, as long as it was used in activities that do not conflict with prevailing ethical norms in society. An official can use an official vehicle as a facility attached to his/her position in accordance with his/her needs while still taking into account existing ethical and norms. This was believed to be able to improve the officials' welfare, which in turn will increase the work ethic of the officials.

Ludia Tangalayuk said that "assets were local assets used to support the implementation of tasks in framework of society service, including for employee welfare (Ludia Tangalayuk, December 16, 2014). Furthermore, Alamsyah Lotunani said that:

"... I agree if the official vehicle should be brought home by each staff. If it was used to deliver the wife, there was no problem, as long as it was not during working hours. It was prepared to support the implementation of local government jobs. But if it's outside working hours, it's okay because it's also part of employee welfare" (Alamsyah Lotunani, February 22, 2016).

Local government policies to allow official vehicles to be brought home by each official were believed to be able to improve the optimisation of official vehicles usage. It was more optimal in this context that an official vehicle can also be used by official concerned to complete several affairs related to office activities, as well as to be used for his personal interests, especially when outside office hours. Likewise, the official house (office) and its equipment were provided for use by relevant officials and their families for all their daily activities. This asset also functions as a facility for officials who can improve the official welfare.



The higher welfare for the official was believed to be able to contribute to government through an increase of their duties' performance. Supported by available facilities, officials can do their duties more effectively and enthusiastically, because their needs for welfare were increasingly fulfilled. The desire of every official as an individual to improve the welfare of life was a natural thing that was fundamental in human life. Furthermore, local government assets' usage for personal interests in order to improve the welfare of individual officials can be a reflection of the influence of self-interest values within local financial management actors. This value was one of main principles of the classical economic theory developed by Adam Smith. Self-interest was the driving force of economic growth and power to regulate its own welfare. Emphasising personal interests does not mean ignoring the interests of society, but by maximizing self-interest, interests (welfare) of society will naturally be fulfilled (Skousen, 2009).

The local government assets' usage for officials' interests according to their wishes can indicate the existence of individual ownership rights behind local government ownership rights to these assets. Officials who control certain assets have the power to determine the assets' usage under their control. Therefore, even though legally the assets were owned by the local government, in substance, there was individual ownership that was attached to assets because one criteria of property rights was the right to use assets. Property rights were the right to use, to earn income and to transfer or exchange the assets and resources (Libecap, 1989).

The reality that substantially there is individual ownership rights inherent in local government assets' usage related to accounting principles and financial reporting was known as substance outperforming the formal form (substance over form), where information in financial statements was intended to fairly present transactions and other events that should be presented; then the transaction or other event needs to be recorded and presented in accordance with substance and economic reality, and not just the aspect of formality. The substance of transaction or other event that is inconsistent/different from the formality aspect must be clearly disclosed in Notes to Financial Statements (PP Number 71, 2010). This shows that there should an explanation from local government to report assets' usage for individual benefit of local government officials.

Assets for Organisational Welfare

Local government operational assets can be used by all staff to do operational tasks of government. Assets for this organisational welfare include all operational local government assets in form of buildings and office buildings, equipment and machinery, vehicles and office inventories, except official houses, official service vehicles, and certain inventories such as laptops that tend to be used only by the officials. These local government assets can

be used to support service activities to society and to improve the welfare of all existing staff (organisational welfare).

All office operational assets were held in accordance with a level of operational needs and local financial capabilities. The demand to improve the level of society service encourages the local government to constantly improve the quality and quantity of office operational assets, especially those directly related to society services, such as buildings and office inventory in the license services. This was expressed by Asrun who said that:

"... because our fund capacity was limited, we do it step by step, we also have urgent needs, for example the income section to find income, or PU related to project problems, the leader should get vehicle facilities. So we always pay attention to that. Right now almost everyone get at least a motorbike, so it can't be all at once, we adjust the needs. In fact, the dominant was the real need of society, as Sanitation Office or more garbage car"(Asrun, May 7, 2016).

Office operational assets of official vehicles can be used by all existing staff throughout the activities/interests of office (organisation) and not used for personal interests (individual). Operational vehicles were used for office activities as a whole and handled by one responsible person (Munawar, 23 April 2015). The number of official vehicles for office operations was still very limited.

Each local government asset that has been determined for its use status for implementation of main tasks and functions, were expected to be used optimally to support the implementation of government operations and services to society (PP No. 27, 2014). All operational assets should be used effectively and efficiently to support the smooth implementation of the main tasks and daily functions of government.

Assets for Society Welfare (Collective)

One form of local government assets' usage was public services. These assets were considered very important to be maintained in the future and can be used by society both individually and collectively. This public service asset consists of two types, namely assets used by local government to provide social services to society individually (limited service assets) such as schools, hospitals, markets, and others. The others were assets that can be used by all communities collectively (unlimited service assets) such as roads, bridges, historic buildings/buildings, and other heritage assets.

Public service assets were intended to improve society welfare collectively. As stated by Sahmuddin that:

... So this asset has social value and economic value, sir. So assets for this social purpose were prioritized for services to society such as buildings, office facilities, vehicles that we use in daily government activities for service to society. There were also our assets such as city parks, we provide freely to public to use them ”(Sahmuddin, May 28, 2015).

Furthermore, Ludia Tangalayuk further said that:

"Local assets were used to support development, tasks implementation in framework of society service, including for welfare of employees and society. The ultimate goal was to improve the people welfare ”(Ludia Tangalayuk, December 16, 2014).

Assets for public welfare (collective) were capital goods used by local governments in order to improve the people’s welfare in the region. Therefore, it was necessary to have a wise arrangement from local government in determining the status of an asset, given the main objective of the local government organisation was to provide social services for society welfare. The nature of government operations in provision of public services has direct implications to accounting for government operations, especially for the concept of appropriate assets (Christiaens et al., 2012). Furthermore, the ability of local governments to finance infrastructure for social services to improve the welfare of local communities was also a very important (Akabom, 2013).

The local government assets’ usage to improve the society welfare was a reflection of goals of state (government), namely to improve the social society welfare. The theory of state welfare was developed by Habermas. It argued that a modern state must be able to guarantee the welfare of all its people (Poggi, 1978: 126). Furthermore, social welfare was seen as an organised system of activities which was intended to improve the welfare of the entire society both physically, mentally and socially, and was a residual model used to ensure the achievement of social welfare. The government has the responsibility to develop a number of policies in various fields of social welfare and improving the quality of good public services through various facilities needed by society (Friedlander, 1967; Skidmore and Tackeray, 1982).

Meaning Behind the Asset Reality as a Welfare Instrument

Based on the characteristics, implementation of local government activities was primarily intended to provide services to improve the society welfare. The assets usage to provide social welfare was preferred compared to assets’ usage to provide the individual’s welfare

and organisations' welfare. Local governments make the decision to use their assets to maximise the society welfare as a special characteristic of local government as a public organisation. This will certainly be very different from private organisations with the aim to pursue economic profits as much as possible. Therefore, Susanti said that:

"We use our assets optimally. Generally, we used assets for public service, including assets that we use in daily operations such as office buildings, equipment, and vehicles. ... This government was certainly different from company. Our goal was to provide services to society. So the more important use of our assets was to service and improve people's welfare. So we adjust to our goal, namely service to society." (Susanti, March 9, 2015).

The assets usage for public welfare exceeds economic benefits or for profit purposes as expressed by Satria Damayanti who said that:

"... Assets must be able to generate income and be used for society service. More to society service, profit was not the main goal. So the income earned will return to people again. Due to budget constraints, there must still be taxes and retributions" (Satria Damayanti, May 28, 2015).

This was consistent with Sahmuddin's statement that "all assets in an area should be utilized primarily for benefit of general public. In addition, it can also bring investment or money" (Sahmuddin, May 28, 2015). The interpretation was that local government assets usage was prioritised for interests of social services to improve the society welfare. Given the function of public service assets were very important for social services to society, these assets need to be managed properly by local government. Good governance of these assets can provide optimal social benefits to employees and the entire society. The social benefits in local government assets can be enjoyed by employees (officials) and society to improve the welfare of employees and society.

The assets' usage to improve people's welfare collectively was prioritised over the individuals and organisations' welfare. Therefore, assets' usage was more dominant in the form of facilities that support social services or assets that were used directly by society. Therefore, Asrun said that:

"So we were frank, if we buy something according to need to improve the society welfare. Many jobs were urgent, I haven't talked about how to get a large Local Revenue. We then build a hospital, we build the market, we do it because of its orientation so that traders have the opportunity to trade properly and not are marginalized by modern traders. That was our main orientation in relation to direct service to society. ... The things that need to be underlined were I always think of dominant interests of society. It consistent with the needs,

because our orientation was public services, such as roads, bridges, and ports" (Asrun, May 7, 2016).

The local government assets' usage must be regulated by government regulations to ensure that these assets can be protected from improper usage. Public service assets must be conserved and maintained in good condition so that they can have a longer useful life and can continue to provide social benefits in the future. The local government believes it will be able to improve the society social welfare (Christiaens et al., 2012).

The assets' usage was aimed to achieve the objectives of local government, namely to improve social welfare as discussed in theory of state welfare, and social welfare was interpreted as a more important thing compared to assets' usage to improve the individuals welfare and organisations' welfare. This indicates that in assets' usage of local government, social welfare values or principles exceeds the principle of personal interest.

Transcendental Values in Assets' Usage as Welfare Instruments

The local government assets management was done rightly based on applicable laws and regulations. Therefore, the local government assets usage always takes into account normative rules and ethical values in society. Asrun stated that: "So that principles of our assets were managed in accordance with existing rules and norms, do not use them in places that violate ethics in society, such as nightclubs or other unethical places. So it's only natural" (Asrun, May 7, 2016).

Ethical values in society as part of society culture, were the fairness limits of local government assets' usage. The values of government leadership within cultural symbols were still attached to the individual of local society (*Tolaki*), which always affect their attitudes and behaviour to do their daily activities. These cultural values were a symbol of ideals (principles) of government (politics), namely the principle of unity, holiness and justice, and principles of prosperity and welfare. The ideals of unity were symbolised by circle of rattan, then the ideals of holiness and justice were symbolised by a white cloth, and ideals of prosperity and welfare were symbolised by a woven basket (Tarimana, 1993: 209-210).

Assets were interpreted as welfare instruments as a reflection of cultural values believed by local financial management actors, namely the principle of prosperity and welfare. The Government makes every effort to use all of its assets to bring prosperity and welfare to people, because the goal of government was to create a united and prosperous society (Melamba et al., 2016: 326).

Efforts to realise the ideals of prosperity and welfare in assets' usage were a reflection of leadership norms that always adhere to principles of prevailing legal norms and systems, all originating from the teachings of God through religion and customs (Melamba et al., 2016: 380-382) Therefore, assets' usage with the principle of social welfare, beyond the principle of personal interest, was an obedience manifestation of God's teachings.

Conclusions, Implications, and Limitations

Conclusion

Local government assets were defined as welfare instruments, namely capital assets used in order to improve the welfare of employees (officials) and society. These consist of assets for individual welfare, assets for organisational welfare, and assets for (collective) society welfare. The assets' usage to improve the society welfare more than the individual's welfare and organisations' welfare indicates that value of social welfare exceeds the principle of personal interest.

Efforts to realise the ideals of prosperity and welfare in assets' usage were a reflection of leadership norms that always adhere to the principles of prevailing legal norms and systems, all originating from the teachings of God through religion and customs. Therefore, assets' usage with the principle of social welfare beyond the principle of personal interest was an obedience manifestation to God's teachings.

Research Implications

The use of paradigms and methods in this study was a relatively new approach and was still rarely done in accounting studies, specifically in Indonesia. Therefore, researchers hope this study can contribute to development of interpretive paradigms in world of accounting, especially asset accounting. The study findings were expected to enrich the concept of public sector assets, especially local government assets.

This study's results at a practical level may be utilised by local governments to develop asset management and reporting systems in order that local governments can manage their assets effectively and efficiently. This study's results may provide input for local governments in drafting local regulations on management systems and reporting of local government assets.

Research Limitations

There were limitations of this study. First, data collection process was about one year, where this period was considered to be relatively short to collect in-depth data collected optimally.



Second, all informants were local financial management actors from the executive and legislative branches, while the informants who came from society as stakeholders of local government were not involved in implementation of this research, so it was very possible that there were no data obtained in depth in this study.

Subsequent research can be developed with more in-depth research by involving wider informants including the society as stakeholders of local government. Subsequent research can also use other paradigms such as critical paradigms to be able to criticise the concept of assets based on assets' meaning in perspective of local financial management actors.

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