

# ORGANIZATIONAL CAPACITY DEVELOPMENT IN REALIZING GOOD CORPORATE GOVERNANCE PUBLIC SECTOR: STUDY AT PT. SULSEL CITRA INDONESIA (PERSERODA) SOUTH SULAWESI PROVINCE

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## Abstract

*Capacity building is interpreted as increasing the ability or competence of individuals, groups and organizations which includes many components, so that in this capacity building there are several dimensions and focuses. This study aims to analyze the capacity building strategy of public sector organizations at PT. Sulse Citra Indonesia or Perseroda in South Sulawesi Province. This study used qualitative research methods. Data sources include primary data and secondary data. The results of the research show that the strategy for developing the capacity of public sector organizations, namely PT. Sulse Citra Indonesia or Perseroda in South Sulawesi Province has not been fully effective. This can be seen from the nine aspects of the strategy for developing the capacity of public sector organizations, including: organizational mission and strategy, organizational culture, organizational structure, organizational competence, organizational processes, organizational human resources, organizational financial resources, information resources and organizational infrastructure, which of the nine aspects provide results that have not been able to be fulfilled as a whole. Public sector organizations especially those under government coordination should be able to accelerate through capacity building to be able to adapt to existing changes so as to be able to contribute to regional development.*

**Keywords**-Capacity Building, Good Corporate Governance, Public Sector Organization

## INTRODUCTION

In addition to organizational theory, the concept of organizational capacity can also be studied in capacity building theory. Capacity building or better known as capacity development or capacity building has various definitions. Grindle and Hilderbrand, (1995) define capacity building as improvements in the ability of public organizations, either single or cooperation with other organizations, to perform appropriate tasks. In other words, capacity building is an increase in the ability of public organizations to achieve certain goals both independently and in collaboration with other organizations. Horton et al. (2003) who explained that capacity building is "an ongoing process to increase the ability of the organization to carry out its functions and achieve its objectives, and to learn and solve problems". This concept describes capacity building as the ability to perform basic functions, namely goal attainment, learning and problem solving. This opinion is almost the same as that put forward by Milen (2001) who sees capacity building as a continuing process of strengthening the ability to perform core functions, solve problems, define and achieve objectives and understand and deal with development needs.

In the simplest terms, organizational capacity is the ability to carry out organizational activities (Yu-Lee, 2002). In the public sector, organizational capacity has been broadly defined as the ability of government to organize, develop, lead and control human, financial, physical and information resources (Ingraham et al., 2003). In the social or non-profit sector, organizational capacity is a set of management practices, processes or attributes that help an organization to fulfill its mission (Eisinger, 2002). The same thing was expressed by Horton et al. (2003) explained that organizational capacity is "its potential to perform - its ability to successfully apply its skills and resources to



accomplish its goals and satisfy its stakeholders' expectations". This concept clearly shows the relationship between the organization's external environment and organizational activities.

In the public sector, organizational capacity has been broadly defined as the government's ability to organize, develop, lead and control human, financial, physical and information resources (Ingraham et al in Irawan, 2016). Meanwhile, the concept of organizational capacity building that specifically leads to the management of the public sector only emerged in the early 1980s, in line with the growth of developing countries. Capacity building is a strategy development concept in increasing efficiency, effectiveness, and responsiveness of government performance. As stated by Morgan in Milen (2006: 14) regarding the development of organizational capacity which formulates that organizational capacity as ability, skills, understanding, attitudes, values, relationships, behaviors, motivations, resources and conditions that enable each individual, organization, network / sectors, and wider systems to carry out their functions and achieve goals.

The United Nations Development Program (UNDP, 1999) explains that existing capacity building must be able to be translated into several follow-up strategies (targets) that are easier to measure the success of such capacity development. There are nine main strategies, namely (1) organizational mission and strategy, (2) organizational culture, (3) organizational structure, (4) organizational competence, (5) organizational processes, (6) organizational human resources, (7) organizational financial resources, (8) information resources and (9) organizational infrastructure. Capacity building is very much needed in a public sector organization to carry out its duties effectively and efficiently. With the existence of capacity development in public organizations can improve the capabilities, skills and expertise possessed by public organizations in order to achieve better performance and be able to organize and solve public problems.

One of the public issues that must be considered is related to the implementation of good corporate governance in regionally owned enterprises. The Cadbury Committee explained that Corporate Governance is a reference or guideline in directing and controlling a company in order to achieve a balance between company power and authority required by the company, to ensure its continued existence and accountability to stakeholders. This is related to the regulatory authority of owners, directors, managers, shareholders, and so on (Bismar Nasution, 2007). By definition, Good Corporate Governance (GCG) is defined as an implementation of responsible development management in line with democratic principles which aims to avoid the allocation of investment funds, and prevent corruption both politically and administratively (Eni, 2020).

With increasing intense competition to obtain capital, the current trend is to focus more on the implementation of effective Good Corporate Governance. The implementation of Good Corporate Governance that truly becomes very vital for the business world. Especially for the purposes of: a. Increase the ability to compete to get capital in the global market b. Reducing the risk of sudden changes and encouraging long-term investment c. Strengthening the financial sector d. Promote responsible management and solid financial performance (Sadi, 2016). Corporate governance or more popularly known as Corporate Governance is generally defined by the International Finance Corporation ("IFC") as the structures and processes for the direction and control of companies. Based on this understanding, in essence corporate governance discusses how a company is directed and managed so that all the interests of stakeholders (stakeholders) are properly accommodated. Therefore, the company must be managed in a balanced and good manner, so that the term Good Corporate Governance ("GCG") arises.

The implementation of Good Corporate Governance is expected to be able to provide a positive effect on companies and especially on public organizations such as regionally owned companies which are an extension of the regional government in managing assets and the potential of the region to contribute financially. One of the goals of establishing a company is to seek profit or profit, regardless of the construction and system that is applied in the company. This condition also applies to the provisions of Regional Owned Enterprises (BUMD), especially since currently many BUMDs are in the form of corporations. In order to increase the capability and income of the company, various efforts can be made. In order to maintain the existence of the company so that it can compete with other companies, one of the strategies carried out by the company is to expand its business and



renew or restructure its company. Internal business expansion can be carried out without involving a unit outside the company and by way of company independence, by establishing a new company that is independent in the sense of legal entity status as part of the core company or group.

In terms of quantity, the number of BUMDs in the regions, especially those in the form of corporations, is more than one in each region, so mapping and grouping is necessary. The large number of BUMDs in the form of corporations in the regions does not guarantee that all of these business entities can develop properly. The large number of BUMDs in the form of corporations of course also requires a good management and handling strategy. The management of state-owned enterprises in the group company group aims to further increase efficiency and become one of the BUMD revitalization agendas. One of the Regional Owned Enterprises that is quite interesting is PT. Sulawesi Citra Indonesia or PERSERODA which is owned by the Provincial Government of South Sulawesi. PT. Sulawesi Citra Indonesia or commonly abbreviated as PT. SCI is a PERSERODA which houses several business units in various sectors (PT SCI, 2023).

In the course of its activities, PT SCI as PERSERODA of South Sulawesi certainly has several constraints and obstacles that become its weaknesses, such as: 1) Relatively minimal working capital capability; 2) As asset participation, it is still in the process of changing the status of usage rights to management rights; 3) The Asset cooperation agreement uses a forward contract scheme with a lease term of more than 10 (ten) years. 4) Limited competency-based human resources. In addition to these problems PT.SCI also has several aspects of obstacles that have the potential to become a threat to the sustainability of the company, including: 1) The BUMD brand name is still synonymous with non-professional management. 2) SOEs still dominate the strategic business sector in South Sulawesi; 3) Adequacy of liquidity ratios has the potential to close opportunities to obtain funding from financial institutions; 4) Negative image that is very attached that BUMD requires political interests (PT. SCI, 2023).

In addition to these general problems, the more specific problems at PT. SCI in an effort to realize good corporate governance are more to the dimensions of organizational capacity which of course must be addressed immediately. Based on initial observations, the problem lies in the lack of direction in the organizational mission and strategy that has been set. Organizational culture and structure also greatly influence where PT. SCI still has a culture and structure that needs to adapt to current conditions. Equally important is the organizational competence of PT. SCI which needs to be improved in order to be able to adapt to existing public demands. Finally, related to the resources owned by PT. SCI are still quite limited, such as the availability of human resources where there is no match between the tasks assigned and the existing competencies, financial resources that are still limited, and infrastructure to support work activities need attention.

Based on the description of related concepts regarding the importance of developing organizational capacity and how efforts need to be made in realizing good corporate governance. Apart from that, in terms of the phenomena described regarding PT. Sulsel Citra Indonesia as a PERSERODA of South Sulawesi Province there are still many obstacles which in general and specifically lead to the importance of developing organizational capacity. This research aims to: first, analyze efforts in implementing good corporate governance at PT. Sulsel Citra Indonesia, as well as secondly, to identify and evaluate organizational capacity building strategies at PT. Sulsel Citra Indonesia in an effort to realize good corporate governance.

## METHODS

This study used qualitative research methods. The qualitative research method in this study is a method that aims to explain or describe problems in a systematic, factual and accurate manner regarding facts. (Moleong, 2017:29).

The research location is PT Sulsel Citra Indonesia or PERSERODA in South Sulawesi Province, where the selection of this location was based on the problems, namely the strategy for developing the capacity of public sector organizations, studies in improving good corporate governance and it can be said that there has not been much research related to the capacity building of public sector organizations in implementing good corporate governance, especially in regionally owned

enterprises. The informants in this study are people who are authorized to provide information about increasing organizational capacity in implementing good corporate governance in regionally owned enterprises, namely PT. Sulsel Citra Indonesia South Sulawesi Province.

The data obtained includes primary data and secondary data. Primary data is data obtained directly from original sources (not through intermediary media) which can be in the form of individual or group subject (person) opinions, observations of an object (physical), events or activities and test results. While secondary data is data obtained in a ready-made form or in the form of publication data. The primary data in this study is the result of direct interviews with informants and observations about efforts to develop organizational capacity in implementing good corporate governance in companies in South Sulawesi Province, while secondary data consists of data relating to the implementation of good corporate governance in public sector organizations obtained from the internet, books, journals and previous researchers.

In this study, the main data collection techniques were in-depth interviews and participant observation, namely observation where the researcher is involved with the daily activities of the person being observed or used as a source of research data. And the study of documentation, namely studying documents or records of events that have passed. The data analysis technique in this study uses the data analysis model from Miles, Huberman and Saldana (2014), namely interactive analysis.

## RESULTS AND DISCUSSION

### *Implementation of Good Corporate Governance at PT. Sulsel Citra Indonesia (PERSERODA) South Sulawesi Province*

Good Corporate Governance, also known as good corporate governance, emerged not solely because of awareness of the importance of the GCG concept, but against the background of the rampant corporate scandals that have befallen large companies. Companies or corporations today have developed from something relatively obscure to become a very dominant world economic institution. This power is sometimes able to dictate to the government of a country, so that it becomes powerless in dealing with deviant behavior carried out by these influential business people (Joel Balkan, 2002). In research that focuses on PERSERODA in South Sulawesi province, the measure of success of a company is analyzed through the application of the principles of good corporate governance. There are four main components needed in the concept of good corporate governance, namely fairness, transparency, accountability, and responsibility (Kaen, 2003; Shaw, 2003).

First, it can be seen from the principle of transparency, information must be disclosed in a timely and accurate manner. Information disclosed includes financial condition, financial performance, ownership and management of the company. Disclosure is done so that shareholders and other people know the state of the company so that shareholder value can be increased (Kaen; 2003; Shaw, 2003). At PT. Sulsel Citra Indonesia as PERSERODA of South Sulawesi Province found that company transparency has not gone well. It can be seen that there has not been open disclosure of basic information to the organizational level either from managers to the board of directors or from managers to employees. Second, on the accountability side where the Company must be able to account for its performance in a transparent and fair manner. For this reason, the company must be managed properly, measurably and in accordance with the interests of the company while taking into account the interests of shareholders and other stakeholders. In the results of observations made in the study showed that accountability at PT. Citra Sulawesi Indonesia as a PERSERODA of South Sulawesi Province is still very low. This condition can be seen from the low form of administrative accountability carried out by managers to the board of directors who are classified as underestimating the accountability reports that are reported.

Third, responsibility. The company as well as the leaders and managers of the company carry out their activities responsibly. As a company under the auspices of the government, PT. Sulsel Citra Indonesia as PERSERODA of South Sulawesi Province is considered unable to provide a good response to the situation that is occurring and tends to ignore important aspects that can have an impact on the company. The weak level of responsibility at PT. Sulsel Citra Indonesia as a PERSERODA of South Sulawesi Province can also be seen from the planning and implementation of the programs presented

that they have not been able to answer the challenges faced by the company. And fourth, is fairness which is defined as fair and equal treatment in fulfilling the rights of stakeholders that arise based on agreements and applicable laws and regulations. The results of research conducted through interviews and observation methods show the level of fairness in PT. Sulsel Citra Indonesia as a PERSERODA of South Sulawesi Province is still not ideal. The form of opportunity provided by the company in recruiting employees, having a career and carrying out their duties in a professional manner does not go well and sometimes tends to be based on the subjective assessment of company officials.

#### ***Strategy for Organizational Capacity Building in Efforts to Realize Good Corporate Governance in the Public Sector***

In supporting the implementation of development, especially development at the regional level, the capacity building of an organization must be able to present a number of follow-up strategies (targets) that are easier to measure the level of success of the capacity building of an organization (UNDP, 1999). There are nine main strategies in developing organizational capacity, and these nine strategies are used in measuring how the capacity development strategy is in realizing good corporate governance at PT. Sulsel Citra Indonesia as PERSERODA in South Sulawesi Province, which will be explained as follows.

#### ***Mission and Organizational Strategy***

In aspects related to the preparation of the current organizational mission and strategy, the government should begin to develop its advantages. The basic principles in preparing the organization's mission and strategy will relate to seeing the organization's position in the organizational environment setting and seeing the comparative advantage it has as a competitive advantage in that area with others.

Implementation of all company management affairs at PT. Sulsel Citra Indonesia supports and is based on the stated mission of the company's vision, namely to become a leading BUMD in the development of multi-sector natural resource-based businesses that are professional and law-abiding and contribute to increasing the Regional Original Income of the Province of South Sulawesi. But on the other hand PT. Sulsel Citra Indonesia as PERSERODA of South Sulawesi Province does not yet have a clear strategy which is contained in the form of a corporate strategic plan to optimize company performance and increase company competitiveness. So that makes PT. Sulsel Citra Indonesia does not yet have a program plan based on the company's main goals.

#### ***Organizational Culture***

In this aspect the strategy that must be built is related to the quality of organizational culture. Corrupt culture, carried out openly and collectively, is the strongest indication to show that in this aspect of culture, an effective strategy is needed to resolve it. Various opinions state that improving organizational culture must start from the top management level, but if the instruments at the lower levels are made improvements and complied with, then the organizational culture will change. For this reason, there are several strategies that can be developed, including: standards of behavior or performance; organizational and management values; management and leadership style; perspectives and perceptions of the organization.

Within the scope of PT. Sulsel Citra Indonesia as PERSERODA of South Sulawesi Province, there are employee behavior standards that are applied including in every implementation of the program, namely the application of the value of discipline at work, responsibility in all aspects, competency adjustment, upholding integrity at work, and always being honest. However, related to performance appraisal standards within the scope of PT. Sulsel Citra Indonesia does not yet have clear and directed standards that are applied and determined by default. So that in terms of assessing the performance of members in the company PT. Sulsel Citra Indonesia still uses general standards that apply to several other public companies. Then related to organizational leadership, it will focus on how the leadership of the organization. Leadership PT. It can be said that Citra Indonesia as PERSERODA of South Sulawesi Province is quite good and supports the implementation of existing company programs. This can be seen with the main director of PT. Sulsel Citra Indonesia fully



supports both materially and morally in all aspects of implementing the company's work program and participating in several activities.

### **Organizational Structure**

The weak control function as described in the explanation of the mission strategy and organizational strategy sections, as well as the weaknesses in the current aspects of the regional government's organizational culture, also stem from the lack of order in the organization structure. A characteristic of a healthy organizational structure, in which the authority possessed by a public office should be in harmony with its power. However, what often happens is that the gap between authority and power is very wide. This gap arises due to too strong intervention of informal organizations into formal organizations. The public policies that emerged were not born from an open debate between the legislature and the executive in the assembly forum. But quite the opposite, so that public policy accountability becomes very blurred. For this reason, strategies that should be developed in this aspect include: hierarchy of authority; control and control mechanisms; as well as coordination mechanisms and other working mechanisms related to the institutional structure of regional government.

Organizational structure at PT. Sulsel Citra Indonesia as a PERSEKRODA of South Sulawesi Province in this case is seen from the form of hierarchy of authority, control and evaluation mechanisms, coordination mechanisms and work mechanisms in the management of regionally owned business units whose structure can be seen in the following chart:

The main commissioner	: Prof. Dr. Murtir Jedawi, SH., S.Sos., M.Sc
Main Director	: Yasir Susanto Machmud, SE
Director General & Finance	: Mohammad Taufiq, ST
director of Operations	: Rendra Darwis, ST
Director of Business Development	: Boedi Soesetyo, SE., MM

Implementation of program evaluation at PT. Sulsel Citra Indonesia has not fully used digital-based technology. From this explanation regarding the organizational structure, it can be concluded that at PT. Sulsel Citra Indonesia as PERSEKRODA of South Sulawesi Province has a good organizational structure in the sense that PT. Sulsel Citra Indonesia has a clear, orderly and directed form of hierarchy of authority, evaluation mechanism, coordination mechanism and work mechanism so that the implementation of good corporate governance can be carried out more optimally.

### **Organizational Competence**

The competency aspect relates to the ability of regional government officials to carry out community-oriented development. To support this, institutional strengthening through the formulation of organizational authority, the amount of tasks and institutional forms that enable support for the attainment of development goals must always be developed. One strategy that is currently quite related to the development of this organizational competence is the delegation of authority. Another advantage of this delegation of authority is the acceleration of service time, savings on service costs and a closer public control chain on the performance of the Government as a public service provider.

Institutional strengthening within the scope of PT. Sulsel Citra Indonesia as a PERSEKRODA of South Sulawesi Province is carried out of course through institutional strengthening in various forms both in terms of increasing the quality and quantity of the implementing human resources. Then also followed by facilities and infrastructure and budget support for program activities to the commitment of leaders and other relevant stakeholders. With this, it is known that PT. Sulsel Citra Indonesia as PERSEKRODA of South Sulawesi Province seeks to strengthen institutions from various aspects ranging from human resources, facilities and infrastructure, budget, to the commitment of leaders and stakeholders in it. So it can be concluded that PT. Sulsel Citra Indonesia as a PERSEKRODA of South Sulawesi Province has sufficient competence so that the implementation of programs and activities in realizing good corporate governance will also be carried out well.

### **Organizational Processes**

The strategy in this aspect relates to how the Regional Government communicates and works with internal and external parties of the organization, including planning and monitoring and evaluation

mechanisms. The communication and information function should have an adequate role in this strategy. Because in reality so far the regional government has not paid much attention. Through this strategy, it is hoped that organizational processes will be well communicated among all stakeholders, which in turn will certainly provide positive support for accelerating the development process itself.

Every process that occurs in the organization is carried out through communication and coordination. Forms of communication and coordination at the internal organizational level of PT. Sulsel Citra Indonesia as a PERSEKUTUAN of South Sulawesi Province in an effort to implement good corporate governance, starting from the leadership, namely the main director to the director of general affairs and finance, director of operations, director of business development, then continuing at the managerial level consisting of: finance manager, HR manager, operations manager, and business development manager. Then the form of communication and coordination between PT. Sulsel Citra Indonesia as a PERSEKUTUAN of South Sulawesi Province with the South Sulawesi Provincial Government as a group of shareholders is of course carried out and maintained both horizontally and vertically, through the form of coordination meetings, providing reports and submitting information as well as sharing data and information. This shows that organizational processes are good enough within the scope of PT. Sulsel Citra Indonesia as PERSEKUTUAN of South Sulawesi Province and with parties

### **Organizational Human Resources**

Strategy in this aspect is a very important strategy for the company today. This is in line with the fact that the quality of existing apparatus resources is low. Strategy development starts from the employee recruitment system, placement up to the pattern of career paths and the reward system received by the apparatus. With inputs that are not properly selected, in the later stages the pattern of placement of employees, patterns of career paths and reward systems that are not conducive further complicates the problem in this aspect of resources. Selection of levels and types of education and training is made in a clear pattern and adapted to regional needs. Apart from that, another strategy that can be developed related to this aspect of human resources is the development of an open, cross-regional employee career pattern and a pattern of contractual work relations for a certain period of time and encouraging the creation of a collective bureaucratic ethic that leads to prophetic values which have been the ethical values of the individual Indonesian people, including their apparatus.

Strategies related to aspects of human resources in an organization are very important strategies. Therefore, the quality of the organization's human resources, in this case the employees at PT. South Sulawesi's image of Indonesia is highly reckoned with. Within the scope of PT. Sulsel Citra Indonesia has tiered employees. The number of employees and professional staff of PT. Sulsel Citra Indonesia updated as of June 2023 totaling 84 people plus 57 business unit casual workers with placements in work units as follows:

Headquarters	: 38 People
Grand Sayang Park Hotel Business Unit	: 27 People
Parking Business Unit	: 1 person
Lego Lego Food Court Business Unit	: 7 People
Workshop Business Unit	: 1 person
Consortium - KA	: 3 people
Experts	: 3 people
law consultant	: 4 People
TC Foodcourt lego-lego	: 37 People
TC Ruko Latanete Plaza	: 2 persons
TC Parking Latanete Plaza	: 8 people
TC Parking RSIA ST. Fatima	: 4 People
Sunset Quay Parking TC	: 6 people

Overall, the number of employees, professionals and casual staff in the business unit is 141 people. Placement of employees, appointment of experts and casual staff at the beginning of the board of

directors this period is carried out by conducting verification and interviews based on their qualifications and expertise.

The placement system applied at PT. Sulsel Citra Indonesia is not in accordance with the competencies and results of the Job Analysis Map. The quality of employee resources at PT. It can be said that South Sulawesi Citra Indonesia as a PERSEKRODA of South Sulawesi Province needs to be improved as an effort to realize a company based on good corporate governance.

#### ***Organizational Financial Resources***

The strategy in this aspect has very important value for the development of government, especially local government. Another problem in this financial aspect is that almost all regions experience difficulties in finding sources of financing that come from Regional Original Revenue. In fact, it is not uncommon to increase this revenue post, the regions carry out intensification of regional tax or retribution collections that do not take into account sustainable environmental development or sustainability development.

The strategy in this aspect has a very important value for the development of public sector organizations, namely PT. Sulsel Citra Indonesia as PERSEKRODA of South Sulawesi Province. The company's financial resources are closely related to the budget. One of the important points revealed in the balance sheet report of PT. SCI is significant revenue growth. The profit earned in the 2021 period increased, which was not too significant compared to 2020 due to losses during the transition of the change of Directors where in the period January - June 2021 the old Directors of PT. Sulsel Citra Indonesia had recorded a company loss (liability) of Rp. 2.2 billion. Thanks to the hard work of the new board of directors, in July - December 2021, PT. SCI succeeded in obtaining a profit of Rp. 5.1 billion so as to be able to record a profit as of December 31, 2021 of Rp. 2.9 billion after reducing the debt of the previous directors of 2.2 billion. The company's financial consolidation keeps records of the company's equity and liabilities in order to balance the balance sheet as the basis for the company's financial books.

#### ***Information Resources***

In line with the extraordinary acceleration in the field of information, the policy of public organizations in the field of information management is a must, especially in regional government-owned PERSEKRODA companies such as PT. Sulsel Citra Indonesia. Management information system for implementing program activities at PT. Sulsel Citra Indonesia has not fully used digital-based technology, both from the planning stage, the administration stage, to the reporting stage using. Utilization of information and technology in a company is a necessity in the current era, especially related to effectiveness and efficiency in carrying out company activities and work programs. These technologies and applications play a role in supporting information on program activities including programs related to business units within the scope of PT. Sulsel Citra Indonesia. Based on these findings, it can be concluded that information resources at PT. Sulsel Citra Indonesia as a PERSEKRODA of South Sulawesi Province has not been optimal enough in supporting efforts to implement good corporate governance because it has not fully used the concept of e-government in carrying out company activities.

#### ***Organizational Infrastructure***

In line with the shifting paradigm of government which provides more space for the implementation of regional autonomy, it also has implications for infrastructure management in the regions. Until now, the regions are still having difficulties with the arrangement of their assets. The most obvious challenge at this time is to organize or inventory the assets under their control and then carry out accountable asset management.

The strategy in this aspect is related to infrastructure and supporting infrastructure at PT. Sulsel Citra Indonesia as PERSEKRODA of South Sulawesi Province in creating a company based on good corporate governance. Infrastructure or facilities owned by PT. Sulsel Citra Indonesia as PERSEKRODA of South Sulawesi Province is office buildings, office equipment, official vehicles and other office electronics. So that it can be said that there is no specific infrastructure or facilities owned to realize a company based on good corporate governance and is only limited to the infrastructure in the office of PT. Sulsel Citra Indonesia as PERSEKRODA of South Sulawesi Province only. Until now,



public sector organizations, especially regionally owned companies still having trouble with asset management has. The most real challenge for PT. South Sulawesi Citra Indonesia as PERSERODA of South Sulawesi Province is currently doing the arrangement or take inventory of the assets under their control and then perform asset management in an accountable and transparent manner.

### CONCLUSION

Based on the discussion above, it was concluded that the strategy for developing the capacity of public sector organizations, namely PT. Sulsel Citra Indonesia as PERSERODA of South Sulawesi Province in the effort to realize a company based on good corporate governance has not been effective enough. Of the nine aspects of the strategy for developing the capacity of public sector organizations, including: organizational mission and strategy, organizational culture, organizational structure, organizational competence, organizational processes, organizational human resources, organizational financial resources, information resources and organizational infrastructure, there are several aspects that are still not optimal, namely organizational mission and strategy, organizational culture, human resources and organizational infrastructure. This is due to the limited resources owned by PT. Sulsel Citra Indonesia as PERSERODA of South Sulawesi Province, namely budgetary resources and facilities and infrastructure in program implementation in order to create a company based on good corporate governance.

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