

EVALUATION OF OFFICE RELOCATION OF PT PLN (PERSERO) UNIT EXECUTION PROJECT NUSA TENGGARA 2

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ABSTRACT: The location of the office of PT PLN (Persero) UPP Kitring Nusra 2 is in Ende Regency approximately 200 kilometers from the project locations currently managed. This makes the process of supervision and coordination with relevant stakeholders difficult. Throughout 2022 until now, work supervision, certification, land, ROW, and licensing activities have dominated the West Flores area. Therefore, for effective and efficient implementation of the main duties and functions, consideration of moving the office location to Labuan Bajo City needs to be done. This study aims to evaluate the feasibility of moving the office. The analysis method was carried out using factor rating and SWOT methods. The results of the comparison of 2 locations using the factor rating method show that the potential office location is in Labuan Bajo with a value of 95.81 and the existing location of Ende City is worth 84.19. Meanwhile, based on SWOT analysis, it was obtained that the location of the office in Labuan Bajo was in quadrant 1, so it can be concluded that the transfer is said to be feasible.

Keywords: Office Move, Factor Rating, SWOT

INTRODUCTION

PT. PLN (Persero) Nusa Tenggara 2 Power and Network Project Implementation Unit or PT PT. PLN (Persero) UPP Kitring Nusra 2 is one of 3 implementing units under the Main Unit of PT. PLN (Persero) Nusa Tenggara Development Main Unit. Working area of PT. PLN (Persero) UPP Kitring Nusra 2 covers Flores Island, East Nusa Tenggara with the main task of managing and evaluating plant and / or network

construction work activities, ensuring the licensing process related to the implementation of construction and the implementation of the land acquisition process and asset certification.

Referring to the General Plan for Electricity Supply (RUPTL) for 2021 – 2030 to 2028, there will be several additional constructions works that will be managed by PT. PLN (Persero) UPP Kitring Nusra 2. The construction of both projects that have currently entered the

construction phase and those that are still in the planning phase are all centered on the West Flores area. This is based on the determination of Labuan Bajo as a Super Priority Tourism Destination (SPTD) by the Central Government, which has an impact on infrastructure development and the development of facilities and infrastructure such as star hotels and business centers in the Labuan Bajo Area (Widianingsih et al., 2023). To meet this development's needs, reliable and quality electric power services are needed in the future. With the special policy of developing the Area in Labuan Bajo from the Regional and Central Governments, it is necessary to accelerate coordination and supervision in the progress of the Work later desired by *stakeholders* to accelerate the completion of the Work.

In addition, the development of New Renewable Energy (EBT) Plants to be developed (Rufiatun et al., 2023), especially in the Ulumbu and Mataloko Geothermal Working Areas starting from the pre-construction stage to plant construction, also requires intensive coordination and supervision both with implementers and *relevant local stakeholders*.

Currently, the office location of PT PLN (Persero) UPP Kiting Nusra 2 is in Ende Regency, East Nusa Tenggara, which is approximately 200-kilometers from project locations that are currently entering the construction phase and will be managed in the future. This makes the process of supervision and

coordination with relevant stakeholders difficult. In addition, throughout 2022 until now, most employee mobilizations of PT PLN (Persero) UPP Kiting Nusra 2 both for work supervision activities, certification, land, ROW, and licensing are dominated to the West Flores area. Therefore, for the effectiveness and efficiency of PT PLN (Persero) UPP Kiting Nusra 2 in carrying out its main duties and functions, consideration of moving the office location from Ende City to the West Flores area, especially Labuan Bajo City, needs to be done.

LITERATURE REVIEW

Site Selection Strategy

A strategic location is an area where a company's operations are placed that can provide maximum benefits to the company because the purpose of the location strategy is to maximize location profits for the company. The most important decision that needs to be made by the company is to place strategic location operations (Rusdiana et al., 2014).

Site selection can affect a company's profits because location determination can affect the provision of fast services, ease of transportation for people and goods. There are 7 main factors that affect site selection (Heizer et al., 2020), namely:

1. Labor productivity
2. Money exchange rate
3. Direct and indirect costs
4. Political situation, values and culture
5. Proximity to market location

- 6. Proximity to the location of the provider of goods/services
- 7. Proximity to competitor locations

Metode Factor Rating

Solving the site selection problem can be done by several methods such as *factor rating, locational cost volume analysis, the center of gravity method and the transportation* (Heizer et al., 2020). The *factor rating* method is a commonly used method in determining a location because it combines qualitative and quantitative by comparing the locations to be selected by weighting the importance of predetermined factors.

Analisis Strong, Weakness, Opportunities, and Threats (SWOT)

SWOT *analysis* is a tool used by a company to carry out strategic planning

and management. This tool can be used effectively in carrying out company development and competitive competition strategies (Gurl, 2017). SWOT analysis can be used in formulating a company's strategy by evaluating strong (strengths), weaknesses (weaknesses), opportunities (opportunities), and threats (threats) in a company (Rangkuti, 2015).

The four important components of SWOT, namely strength, weakness, opportunities, and threats, can be grouped into two important factors. These factors are internal factors consisting of *strengths and weaknesses and external factors consisting of opportunities and threats*.

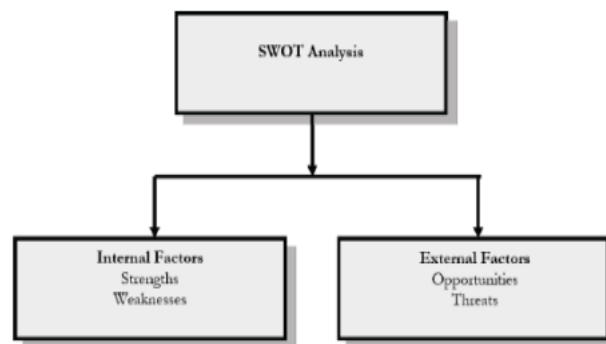


Figure 1. SWOT Analysis
(Gurel, 2017)

The performance of a company can be known by comparing internal and external factors. The comparison can be done using a quantitative approach developed by (Pearce & Robinson, 2008) based on a qualitative approach and then visualizing it into a SWOT diagram to illustrate its position with respect to a

quadrant. Each quadrant will affect the position of a company in determining a strategy and policy in its development (Rangkuti, 2015).

- 1. Quadrant 1 is a very favorable condition for a company. Where the company has good opportunities and strengths to take advantage of

existing opportunities. The right strategy for this condition is a growth oriented strategy (aggressive strategy).

2. Quadrant 2 is a condition where a company faces a threat but still has internal strength to overcome the threat that arises. The right strategy for this condition is a diversification strategy
3. Quadrant 3 is a condition where the company has good opportunities but

there are internal weaknesses so it is feared that it cannot take advantage of existing opportunities properly. The right strategy for this condition is the turn around strategy.

4. Quadrant 4 is a condition where the company is in a weak condition with various threats and many internal weaknesses so that the company is in a very unfavorable condition. The right strategy for this condition is a defensive strategy



Figure 2. SWOT Diagram
(Rangkuti, 2015)

METHOD

The location selection was carried out by comparing 2 locations, namely Ende City which is the existing location of the PT PLN (Persero) UPP Kiting Nusra 2 office and Labuan Bajo City which will be the new location of the office. Comparison of the two locations will be carried out using *the factor rating* method by taking 5 of the 7 main factors of site selection (Heizer et al., 2020), namely:

1. Direct and indirect costs
2. Political situation, values and culture
3. Proximity to market location
4. Proximity to the location of the provider of goods/services
5. Proximity to competitor locations

Labor productivity factors are not considered because they are included in the factors of proximity to market location, proximity to the location of the provider of goods / services and proximity to the location of competitors

(Moretti, 2010). Data collection was carried out by conducting a survey using questionnaires to respondents, namely employees at PT PLN (Persero) UPP Kiting Nusra 2.

Furthermore, after a comparison of locations using the *factor rating method*. The selected office location is analyzed using *SWOT* to determine the feasibility of the selected location. The stages of measuring *SWOT* analysis are:

1. Identify variables that have a relationship with location transfer, both supportive, threatening and needed variables.
2. Grouping variables into internal or external variables. After the variables

are identified, grouping is carried out according to the origin of these variables. Whether the variable is sourced from the internal side or the external side.

3. Depict internal and external variables in a *SWOT* diagram to get an idea of the position of the variables in what quadrant.

RESULT AND DISCUSSION

Comparison of the location selection of Ende City and Labuan Bajo City as the office location is carried out using the *factor rating* method presented in Table 1 below:

Table 1. Comparison of Location Selection with *Factor Rating Method*

Main Factors	Explanation of Main Factors	Weight Factor	Scores		Weighted Scores	
			Ende	Labuan Bajo	Ende	Labuan Bajo
Direct and Indirect Costs	Expenses (daily personal needs, education and living balance costs)	0,32	100	80	25,87	32,34
Political Situation, Values and Culture	Coordination with local governments, ease of solving social project problems and ease of project licensing management	0,25	80	100	19,64	24,55
Proximity to Market Location	The proximity of the office location to the project site	0,21	100	100	20,96	16,77
Closeness to Goods/Services Providers	The proximity of the office location to the providers of goods and services	0,15	100	100	11,98	14,97
Proximity to competitors' locations	The proximity of the office location to the business/ <i>pairing unit</i>	0,07	100	100	5,75	7,19
Total		1,00			84,19	95,18

In Table 1 it can be seen that the proximity of the office location to the project location has the highest weight because in the implementation of work, the proximity to the project site is closely related to the effectiveness and efficiency of the work. For the main factors, namely direct and indirect costs, survey respondents chose Ende City because in terms of expenses both for daily living needs, contract costs, and others are cheaper in Ende City than Labuan Bajo City. Health costs in Ende City although cheaper but the services provided are limited, while for health

services in Labuan Bajo City have better quality and guaranteed because the existing hospitals have a national level.

Overall, the potential office location of PT PLN (Persero) UPP Kiting Nusra 2 is in Labuan Bajo City with a score of 95.81 and in the current location, Ende City, it has a lower score with a score of 84.19. The selected location, Labuan Bajo City, will then be analyzed using *SWOT* to determine the feasibility of the location. The results of *SWOT* analysis are presented in Table 2, Table 3 and Table 4 below:

Table 2. Analisis SWOT Office Location in Labuan Bajo City

Internal Factors	
Strength	Weakness
The electricity infrastructure development plan is more centered in West Flores covering West Manggarai, Manggarai and East Manggarai Regencies	Costs are needed for mobilization of human resources, equipment, vehicles and other supporting facilities
Easier access from and outside Flores Island from Labuan Bajo City than Ende City because the available ports and airports are larger	Objections from employees, especially Outsourced Personnel (TAD) who are domiciled in Ende
Labuan Bajo City developed into an economic business on Flores Island because it was designated as an International Super Priority Tourism Area. This supports the complete facilities needed by employees such as health, transportation, education and other quality of life.	It is necessary to install communication and IT installations in new locations
Easy and fast synergy, coordination, communication with <i>the pairing</i> unit of the company, namely PT PLN (Persero) UP3 Flores Barat which is currently based in Labuan Bajo City	
External factors	
Opportunities	Threats
Electricity infrastructure development that is still continuing until 2028 is SUTT 66 kV PLTMG Flores – GI Labuan Bajo (COD	It is necessary to find an ideal location plan in Labuan Bajo City that can be used as an office considering that the

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2024), GI 66 kV PLTMG Flores (COD 2024), GI 66 kV Labuan Bajo Ext (2 LB) (COD 2024), PLTP Mataloko 20 MW (COD 2027) and PLTP Ulumbu 2 x 20 MW (COD 2028)	city center has built many tourism supporting facilities
Local government support in coordination to facilitate the process of licensing and land acquisition	Need approval from PT PLN (Persero) Head Office for office relocation

Table 3. SWOT Assessment of Internal Factors

Factor	Significance	Weight	Rating /Rating	Score
Strength				
The electricity infrastructure development plan is more centered in West Flores covering West Manggarai, Manggarai and East Manggarai Regencies	3	0,273	4	1,092
Easier access from and outside Flores Island from Labuan Bajo City than Ende City because the available ports and airports are larger	3	0,273	4	1,092
Labuan Bajo City developed into an economic business on Flores Island because it was designated as an International Super Priority Tourism Area. This supports the complete facilities needed by employees such as health, transportation, education and other quality of life.	2	0,182	3	0,546
Easy and fast synergy, coordination, communication with <i>the pairing</i> unit of the company, namely PT PLN (Persero) UP3 Flores Barat	3	0,273	3	0,819

which is currently based in Labuan Bajo City				
Total Strength	11	1,000		3,549
Weakness				
Costs are needed for mobilization of human resources, equipment, vehicles and other supporting facilities	2	0,400	4	0,800
Objections from employees, especially Outsourced Personnel (TAD) who are domiciled in Ende	2	0,400	4	0,400
It is necessary to install communication and IT installations in new locations	1	0,200	3	0,400
Total Weakness	5	1,000		1,600
Total Strength – Weakness				1,949

Table 4. SWOT Assessment of External Factors

Factor	Significance	Weight	Rating/Rating	Score
Opportunities				
Electricity infrastructure development that is still continuing until 2028 is SUTT 66 kV PLTMG Flores – GI Labuan Bajo (COD 2024), GI 66 kV PLTMG Flores (COD 2024), GI 66 kV Labuan Bajo Ext (2 LB) (COD 2024), PLTP Mataloko 20 MW (COD 2027) and PLTP Ulumbu 2 x 20 MW (COD 2028)	3	0,500	4	2,000
Local government support in coordination to facilitate the process of licensing and land acquisition	3	0,500	4	1,500

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Total Opportunities	6	1,000		3,500
Threats				
It is necessary to find an ideal location plan in Labuan Bajo City that can be used as an office considering that the city center has built many tourism supporting facilities	3	0,500	4	1,500
Need approval from PT PLN (Persero) Head Office for office relocation	3	0,500	4	1,500
Total Threats	6	1,000		3,000
Total Opportunities - Threats				0,500

The determination of the feasibility of the location of Labuan Bajo City as a new office location was carried out using *SWOT* analysis by assigning a weight and *rating* value. Weighting is done by determining the level of significance of each factor based on its importance by choosing numbers with a range of 1 to 3. Furthermore, the significance weight per factor indicator is divided by the total significance weight per factor. The value / *rating* is divided based on the level of accuracy of the conditions of the selected location

by selecting numbers with a range of 1 to 4.

Based on the results of *SWOT analysis* from table 3 and table 4, the value for the X-axis points which is a reduction between strength and weakness is 1.949 and the value for the Y-axis which is a reduction between opportunities and threats is 0.500. The values of the X-axis point, and the Y-axis point can then be depicted in a *SWOT diagram* as shown in the following figure 3:

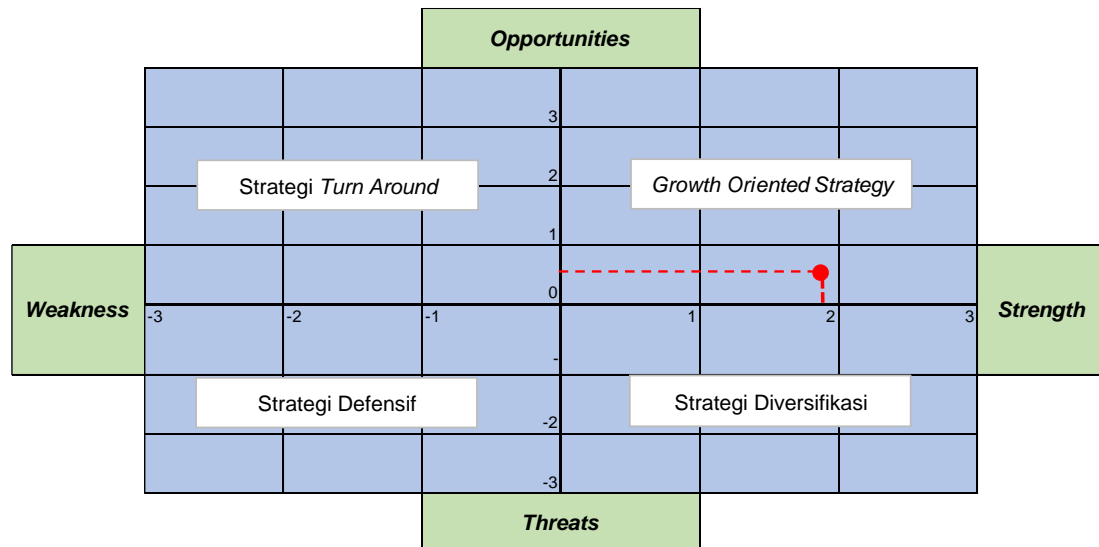


Figure 3. Diagram SWOT

Based on the results of the depiction on the SWOT diagram, the transfer and site selection of PT PLN (Persero) UPP Kitting Nusra 2 can be said to be feasible because it is included in quadrant 1, namely *growth-oriented strategy*. Quadrant 1 shows that the selection and relocation of offices are in prime and steady condition so that it is possible to continue to expand, increase growth and achieve maximum progress because it has opportunities and strengths so that it can take advantage of existing opportunities.

CONCLUSION

Based on the results of the analysis using *factor rating* and *SWOT methods*, several conclusions can be drawn as follows: 1). Based on a comparison of 2 locations in Ende City and Labuan Bajo City using the factor rating method, the potential office location of PT PLN (Persero) UPP Kitting Nusra 2 is in Labuan Bajo City with a score of 95.81 and in the current location, Ende City,

has a lower score with a score of 84.19. 2). Based on SWOT analysis, it was obtained that the selection and relocation of PT PLN (Persero) UPP Kitting Nusra 2 was included in quadrant 1, namely *growth-oriented strategy*. Quadrant 1 shows that the selection and transfer of offices are in prime and steady condition so that the choice of moving offices to Labuan Bajo City can be categorized as feasible. 3). Further studies need to be carried out on the transfer of the office of PT PLN (Persero) UPP Kitting Nusra 2 to Labuan Bajo City in terms of finance and operations in order to obtain a more complete picture regarding the office transfer.

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