

Effectiveness of Village Funds Management in Infrastructure Improvement in Indonesia

M Reza Saputra¹, Budi Suryadi²

¹(Faculty of Social Science and Political Science, Master of Government Science/
Lambung Mangkurat University, Indonesia)

²(Faculty of Social Science and Political Science, Government Science/
Lambung Mangkurat University, Indonesia)

*Corresponding Author: Budi Suryadi¹

ABSTRACT: Management of village funds provided by the government to improve the welfare and equitable distribution of village development through the improvement of public services in the village, advancing the village economy, overcoming the development gap between villages and strengthening the village community as the subject of development. This research uses qualitative approaches with variant case studies and interactive data analysis with data collection stages, data reduction, data presentation, withdrawal of conclusions. The results showed that there was a difference in the effectiveness of village funds management in improving village infrastructure in transmigration villages with non-transmigration villages. Village transmigration in the management of village funds is more effective than non-transmigration villages in the handling of programs, target, program satisfaction and achievement of objectives

KEYWORDS - effectiveness, village funds, village infrastructure

I. INTRODUCTION

Since the year 2015, the government has given village funds to villages sourced from the country's expenditure budget that transferred through the budget income of districts/cities. The village has the right to manage its authority and funding. However, as part of the unitary State of the Republic of Indonesia, the village government needs to be supervised by a government level.

The Indonesian government launched village funds starting in 2015, to improve the welfare and equitable distribution of village development through the improvement of public services in the village, advancing the village economy, overcoming the development gaps between villages and strengthening village communities as the subject of development.

The village funds policy in 2017 is allocated to 74,954 villages, which are divided by the number of villagers, village poverty figures, village area, and the village's geographical difficulty level by observing equitable and fairness aspects.

The way of calculating consistent with the previous year is to allocate the village funds year 2017 using the following proportions and weights formula, namely: 1) Of 90% based on the distribution of basic allocation; and 2) by 10% by varying the number of villagers, poverty rate, the area of the village, and the geographical difficulty of the village, with the weight of each variable by 25%; 35%; 10%; and 30%. The village funding policy of 2017 also considers equity and fairness aspects, the ratio of the smallest and largest village fund recipients to the lowest of the 1:4, and the lowest standard deviations.

Nevertheless, the problem of the number of human resources and community involvement in each village is a fact in the management of village funds, especially in transmigration villages and non-transmigration villages. Where the effectiveness of a village fund management depends on the availability of human resources, village apparatus and the village community.

II. LITERATURE REVIEW

The concept of effectiveness in a measure that expresses how far the program is successful, the success of the target, the satisfaction of the program and the completion of the thorough goals that have been predetermined to run properly or not. In this case effectiveness is achieving the objectives of the organization through the utilization of efficiently owned resources, reviewed from the input, process, or output. In this case, the resources include the availability of personnel, facilities and infrastructures as well as methods and models used. An activity is said to be efficient when done correctly and in accordance with the procedure while it is said to be effective when the activity is implemented properly and provides beneficial results (Campbell et.al: 1970).

The effectiveness rate can be measured by comparing between predefined plans or targets with achieving results. If the results are achieved according to the target, then the effort or the outcome of the work can be said to be effective, but if not reached, according to the plan then it is said ineffective (Siagian: 1987).

According to Gibson et.al (2000) suggests that effectiveness is often associated with efficiency in achieving goals, both individual objectives, groups and organizations. According to him there are two approaches in assessing effectiveness by purpose and system theory. Based on the objective approach, to formulate and measure effectiveness through the achievement of objectives set by the cooperation effort, while the system theory approach emphasizes the importance of adapting to the extensive demands as a criteria of assessment of effectiveness.

Further Gibson's et.al (2000) states that the concept of organizational effectiveness must reflect two criteria, namely (1) the whole-process input cycle, and (2) reflect the reciprocal relationship between the Organization and its environment. These criteria, then develop with short-term time dimensions which include:

- (a) Production criteria; reflects the organizational ability to produce the amount and output of quality needed by the environment.
- (b) Efficiency criteria; comparison of output to inputs referring to the user size of a rare resource within the organization.
- (c) Satisfaction criteria; organizational success size to meet the needs of its members.
- (d) The criteria of the adaptship; organization's responsiveness to internal and external changes.
- (e) Development criteria; measuring the organization's ability to increase its capacity on environmental demands.

Nevertheless Suryadi et.al (2019) suggests that regardless of the effectiveness, an organization is a tendency in participatory budgeting that will produce a moral hazard model that is known as the financing of the budget because of underestimating revenues but overcomes funding.

III. RESEARCH METHODS

The Research approach used is a qualitative approach. This approach used to be able to see, know and describe the actual condition in detail and actual to the phenomenon that occurred in the study (Bogdan & Taylor: 1975). Approach by utilizing and collecting data or information where in this research data or information that can be from the facts in the field with regard to the effectiveness of village funds management in the improvement of village infrastructure in the village transmigration with non transmigration villages.

In qualitative research with a variant of the case study, researchers discredited the research problem clearly based on the data obtained and then withdrawn the conclusion. This analysis was conducted by discussing and analyzing the effectiveness of village funds management in improving village infrastructure in transmigration villages with non-transmigration villages with interactive models of Miles and Huberman (1984) through the process of collecting data collection, data reduction, data presentation and withdrawal of conclusions.

IV. RESULTS AND DISCUSSION

The village fund is an Indonesian government program aimed at improving the welfare and equitable improvement of the village through the improvement of public services in the village, advancing the village economy, overcoming the gap between villages and strengthening village communities as the subject of development.

The effectiveness of the fund management of transmigration villages and non transmigration villages in South Kalimantan as follows:

First, the program. In determining the success or absence of a program can be seen from the target or destination to be achieved. One of the references used is the plan of village development activities in the village fund program. If the planned village development activities can be done according to the plan, then the program is said to be successful, and conversely, if activities in the planned village development activities cannot be done according to the plan then the program is said to be unsuccessful. However, because the plan of village development activities in the year concerned should be adjusted to ceiling government-given funds to each village, then the success of the program can be seen from the village budget plan from the adjustment of village development activities plan that can be done by considering the development of the prioritized infrastructure.

All infrastructure development activities in the village budget plan based on the 2016 village development activity plan can be implemented in a timely manner. Although the reduction of Transmigration village funds led to a reduced budget for the development of funds, the village fund managers decided to reduce the volume of infrastructure development to be built. As a result, infrastructure development can still be implemented in accordance with the Village development Plan at a cost adjusted to the village budget plan.

Unlike non-transmigration villages, the development of one of the bridges occurred reallocates into the next year based on advice from the district government. This is because in addition to the reduction of funds

from the central government, the time for making the bridge to completion is also insufficient. In addition to the implementation of infrastructure development activities in accordance with the target, in the community participation village fund program in determining what development is necessary is very important. This is a community that is more aware of what infrastructure development is needed and chill in the village.

Based on the results of interviews, transmigration villages and non transmigration villages always involve the figures of scholars, indigenous peoples, neighboring leaders and community representatives in the village deliberations. The purpose is for people to be able to associate their opinions to the village apparatus and to navigate the activities of infrastructure development, especially those that can be prioritized in the year.

Second, target. The objectives of the village fund program are the development of infrastructure prioritized based on village typologies. Transmigration villages and non-transmigration villages including developing villages, then that should be prioritized is the infrastructure of public and social services basic education as well as infrastructure facilities public and social health basic.

Infrastructure development in transmigration villages and non-transmigration villages involve the community in the development. Society with its own awareness helps in the development of infrastructure in the village. Where the community has mutual cooperation, help through energy or simply feeding and drinking for workers in the construction of infrastructure. Infrastructure development is prioritized on public service infrastructures in the basic social field of education and health.

Before the community village funds program must go through a rocky road with far enough distance to get to the public health center and school. Especially during the rainy season, the road becomes muddy so the public is hard to get out of the alley to the village's main road to go to school. In fact, the children were stripped of school because they were worried about traveling to school. However, after a program of funds in the village transmigration, the community has prioritized road access as a means of infrastructure to the public services such as the public health center and school. The construction of these roads is done by community self-financing.

Third, satisfaction program. Disclosure from the village government about village funds is one of the factors of public satisfaction with the village fund program. The disclosure in question is in terms of funds received by the village that will be used for the development and development of the village as well as activities undertaken in the village.

The purpose of this openness is intended for the public to know the many funds and activities that are being implemented in the village in accordance with the results of the village deliberation. The community is involved in drafting the development work plan during the year. It is one of the ways the village officials convey to the public about the village funds and as a place to accommodate the aspirations and advice of the community about the development of the village for the common benefit.

Public satisfaction in the management of village funds is one of the outcomes that must be achieved by the Village Fund program for the village community. Based on the results of interviews with several public figures in village transmigration broadly the community felt a positive impact or benefit from the management of village funds.

Aside from the road benefits, people also feel satisfied with the construction of other village infrastructures such as the maintenance of the multipurpose building next to the village office. People can use the building as a gathering place, sports venues and other activities. Non-transmigration villagers also feel the satisfaction of the government program from the management of village funds. Improvements in bridges and road repairs that have been realized give the community considerable benefit. The community is very satisfied with the increasing infrastructure development. The development of infrastructure financed by village funds is very helpful to the community in access to village exits, access road to the school and health facilities.

Fourth, achievement of objectives. Overall the purpose of village fund management can be achieved thoroughly, both carried out in transmigration villages and non-transmigration villages, especially the development of infrastructure that has improved both in terms of quality and quantity.

The rehabilitation of the road and bridge in the village showed improvement in infrastructure in terms of quality. Improvement of the quality of the road that was originally grounded in rehab with concrete, then the mountain stone accompaniment at two points and the construction of a bridge between the neighbors which is a very clear improvement.

In the village of transmigrants increase in terms of quality of infrastructure development such as the farming path in which was originally ordinary land became a gravel road, road alley in concrete, which each year experienced an increase in casting, because adjusted to the allocation of funds received and rehab building multi-purpose buildings and improvements to the building and the elevation of the school yard children's garden.

Moreover, in terms of quantity, infrastructure development has increased such as seedling plants allocated for the manufacture of oyster mushroom planting House managed by the local community, the manufacture of home stops at public burial sites, procurement of equipment and educational tools for

educational activities and post integrated service. Maintenance of water facilities and infrastructure also carried out and gained attention from the apparatus and the village community in the village fund program.

The development of infrastructure implemented in both villages has been in accordance with the development priorities according to the development work plan of each village because it is adjusted to the needs of the village and the allocation of village funds obtained by each village. If it is seen from the development needs of the village to be a developer and independent village still many needs that the village still needed.

In the village transmigration still require the development of schools, health facilities and places of worship that is still a priority development, but must adjust to the allocation of funds received. Likewise, in non transmigration villages there is still a priority in the village's main road improvement, in this case because the allocation was bestowed into the district, so that the road will not be able to make repairs using village funds.

The changes felt by the village and the village community, in particular, the existence of increased development, the development of the village is increasingly more advanced and public service facilities and infrastructure can be felt benefits to the community. With the village funds given to the village of transmigration and non transmigration villages are very helpful for village and community apparatus, especially to promote the village, from the village developed into a developed village and to the independent village.

The effectiveness of village funds management in the village transmigration and non-transmigration villages, as follows:

First, on the success of the program, the village of transmigration can realize the development plan in accordance with the development work plan and no activities that cannot be implemented. Although based on the Village expenditure budget plan, there are insufficient funds in so that the apparatus is addressed by reducing the volume of production, so it does not delay the implementation of the developer in the next budget year. In addition, the activities performed faster is done due to the human resource factors that are more active in the work.

Meanwhile, in non transmigration villages there are developing activities that cannot be implemented because the village funds received less than should be due to the deduction of funds from the center and the time of the development work is not possible. It has also been consulted to the district, so it is advisable to be entered into the government's work plan in the next year.

Second, on the success of the target, village transmigration and non transmigration village is a thriving village, so that the target of village funds management based on the typology of the developing village is the facility and infrastructure of public education and health services. Both villages have not prioritized new developments and the addition of elementary schools, children's parks, early childhood education and health facilities such as maid health centers because the area is not too broad.

The priority of development is on road access to the facilities and infrastructure of the education and health. In the activities that support the success of the target is the improvement of the study place and yard in children's Park as well as the procurement of stationery and educational tools in the school and in the post integrated service shows the success target of village funds management in the village of Transmigration compared to non-transmigration villages, where in non-transmigration villages in the area of education and health care.

In addition, based on the realization of the Government's work plan and the village's expenditure budget plan on the attached village funding program in the work documentation in the Transmigration village, there are more improvements, especially infrastructure development compared to the improvement of infrastructure development in non-transmigration villages.

Third, on the satisfaction of the program, the openness of the village government transmigration about the village fund program is very beneficial where the community is satisfied with the cooperation of village apparatus in advancing the village. The openness is realized with the village Announcement Board for Planning, development activities until the development of village funds management, as well as the details of the funds and the allocation of the work of each development undertaken so that the community can be a supervisor of the use of village funds. Meanwhile, in the non transmigration village, the announcement of development activities is only located in front of the village head office, without the details of the allocation of funds and the time of the work.

Fourth, on the achievement of objectives. Village fund management that is more effective in achieving comprehensive objectives can be seen from improving both in terms of quality and quantity, as seen in Transmigration villages. In addition to the quality of infrastructure, for example, with the maintenance or maintenance of existing infrastructures in the village, the addition or number of infrastructure built also shows the achievement of a complete purpose. In non-transmigration villages, more developments on road repairs and bridges. This is because not every path of the alley gets improvement referring to the number of family heads found in the alley. Unlike the village of Transmigration, infrastructure improvement spreads throughout the needs of village communities such as school and health facilities and infrastructure.

V. CONCLUSION

The difference in the effectiveness of village funds management in improving village infrastructure in transmigration villages with non-transmigration villages. Village transmigration in the management of village funds is more effective than non-transmigration villages in the handling of programs, target, program satisfaction and achievement of objectives.

ACKNOWLEDGEMENTS

This paper is the result of the study of the Strata 2 student thesis, which was conducted for one year in South Kalimantan in the Postgraduate Program of Master of Government Science of the Lambung Mangkurat University. It is not forgotten thanks to the helpful parties in this study.

REFERENCES

- [1]. J.P. Campbell, M.D Dunnette, E. Lawler, Weick, *Managerial Performance, Behavior and Effectiveness* (New York: Mc Graw Hill, 1970)
- [2]. S.P Siagian, *Teori Motivasi dan Aplikasinya*, (Jakarta: Bina Aksara, 1978).
- [3]. J.L Gibson, J.M Ivancevich, And J.H Donnely, *Organization Behavior, Structure, Process*. 10TH Edition, (New York, McGraw-Hill, 2000)
- [4]. B. Suryadi, H.D Mulyaningsih, I. Rajiani, Managing Inefficiency of Participatory Budgeting by Investigating The Dark Side Personality of Managers, *Journal Polish Urban and Management Studies*, 19 (2), 2019, 385-394
- [5]. R. Bogdan and S.J Taylor, *Introductions to Qualitative Research Method: Fhenomenological Approach to the Social Science* (New York: John Wiley and Sons Inc, 1975).
- [6]. M.B Miles And A.M Huberman, *Qualitative Data Analysis: A Sourcebook of New Method*, (London: Sage Publications Inc, 1984)

**Corresponding Author: Budi Suryadir¹*

¹(Faculty of Social Science and Political Science, Government Science/ Lambung Mangkurat University, Indonesia)