INCOME JOURNAL OF ECONOMICS DEVELOPMENT
e-ISSN: 3025-3225
Volume 4 Number 12 | January 2024

Understanding the Effectiveness of Village Fund Allocation Management: A Study in Sinjai Regency

ST Ramadania[1], Nur Asmi Ainun kamal[2]
Muhammadiyah University Of Makassar[1]
Universitas Almarisah Madani[2]
Email: stramadania@gmail.com[1] nurasmiainun@univeral.ac.id[2]

Article Info

Effectiveness, Management, Allocation of Village Funds

Abstract

This research aims to analyze the effectiveness of managing village fund allocation in Sinjai Regency. The research method used is descriptive quantitative, involving data collection through observation and interviews, as well as the analysis of primary and secondary data. The results of the analysis show that the management of village fund allocation in Sinjai Regency is classified as effective, with an average level of effectiveness during the 2018-2022 period reaching 96.58%. This study underscores the importance of effective village resource management in enhancing the community economy and improving village infrastructure. The research results indicate that the government of Sinjai Regency has succeeded in achieving a high level of effectiveness in managing village funds, particularly in the development sector. Despite fluctuations, the average level of effectiveness of village fund management during the 2018-2022 period remains relatively high. Further analysis reveals that the management of village fund allocation in Sinjai Regency has met established effectiveness standards, with the effectiveness percentage peaking in 2018 and 2022. The findings of this research contribute to a better understanding of how village fund allocation is managed and its impact on development at the village level. This research plays a crucial role in enhancing knowledge about the effectiveness of village fund allocation management, and it provides valuable insights for village governments and related stakeholders to improve village fund management performance in the future.

1. INTRODUCTION

The village, as the lowest level of government, interacts directly with the community, encompassing all their backgrounds, interests, and needs, and plays a pivotal role, particularly in executing tasks related to public services. Hence, greater decentralization coupled with sufficient funding and infrastructure support is imperative to foster village autonomy towards achieving village independence.

Bonto Salama Village, situated in West Sinjai District, Sinjai Regency, nestled in the highlands, comprises eight hamlets: Lembang, Tengngalembang, Baru, Sapotangnga, Carumbang, Turungan Toae, Lapparia, and Magala. West Sinjai District, bordering Gowa Regency, has, owing to its highland location, significantly influenced the tourism industry with its diverse natural attractions, including waterfalls.

Regional Government Law No. 32 of 2004 governs the implementation of Indonesia's decentralized system, empowering regional authorities to conduct various processes, mechanisms, and planning stages aimed at ensuring developmental harmony. In accordance with Village Law No. 32 of 2004, village communities are afforded the opportunity to organize and manage their affairs based on democratic principles, fostering unity and equality while considering justice, regional potential, and diversity.

Effectiveness denotes the government's capability to manage finances such that programs can be planned and executed to achieve governmental objectives at minimal cost and within the shortest timeframe. It serves as a yardstick to gauge how well the government executes financial management goals and objectives, as planned or determined

based on existing regulations and procedures, especially regarding financial management issues, including the availability of funds to finance action programs aimed at goal achievement.

Efficient management of village resources necessitates innovation to ensure these resources are leveraged to enhance the community's economy and foster creative engagement with the community. In implementing regional financial policies or the Regional Revenue and Expenditure Budget (APBD), budget control must be directed towards ensuring adherence to planned budget implementation. Therefore, local governments are expected to exercise control over village funds to ensure efficient and effective allocation.

The management of village funds, spearheaded by village officials, is pivotal for direct community involvement. Given that residents are direct beneficiaries of village fund programs, it is essential for all community members to be engaged and informed about fund management to foster trust. In conclusion, inadequate community involvement in the planning, execution, and evaluation processes often leads to the failure of various village development programs, rendering development initiatives lackluster and non-inclusive, particularly at the village level, resulting in unsustainable outcomes.

The researcher selected the effectiveness of village fund allocation as a research topic due to its significant impact on rural development. This program stands to enhance public services in rural areas, amplify community participation in development initiatives, and ultimately elevate the well-being of the rural populace. Hence, the researcher embarked on this study titled: "Analysis of the Effectiveness of Village Fund Allocation (ADD) Management in Bonto Salama Village, Sinjai Regency."

2 RESEARCH METHODOLOGY

This research uses quantitative descriptive methods to analyze the effectiveness of managing village fund distribution at the Bonto Salama Village Office, West Sinjai District, Sinjai Regency. Carried out for about one month, from February to March 2023, in Bonto Salama Village.

Quantitative descriptive analysis, according to Arikunto (2003), describes variables, symptoms, or circumstances without testing certain hypotheses. Data collection involves observation and interviews for primary data from sources and secondary data, such as population size and expenditure on community empowerment programs.

The operational definitions of the variables Effectiveness, Management and Allocation of Village Funds are presented in Table 3.1 with relevant indicators. Data analysis includes calculating effectiveness using the formula Effectiveness=Realization/Target x 100%. Effectiveness standards and criteria, as listed in Table 3.2, are used to assess the village government's ability to realize the financial allocation of village resources and achieve the set goals.

3. RESULTS AND DISCUSSION

4.1 Result Research

Financial data for Bonto Salama Village from 2018 to 2022 is presented in Table 4.1 and Table 4.2. Table 4.1 depicts the village budget during this period, with the highest amount recorded in 2021, amounting to IDR. 2,172,514,033.00, which was caused by a road improvement project. On the other hand, in 2022, the budget amount will decrease to Rp. 1,791,277,657.00, half of the previous year's amount. Table 4.2 shows the financial realization of Bonto Salama Village over the last five years. The biggest realization occurred in 2021, reaching Rp. 2,181,032,937.00, along with ongoing road improvement projects. In 2018, realization reached Rp. 1,787,937,018.44, which was the lowest figure in the period, perhaps due to the village's more limited expenditure that year. This data is processed from village financial sources to provide an overview of budget patterns and realization over the last five years.

4.2 Discussion Of Research

The assessment of the effectiveness in

managing the allocation of village funds in Sinjai Regency is exemplified through the utilization of the effectiveness ratio, a metric that gauges the proficiency of the Village Government in handling these funds. This ratio is derived by comparing the actual expenditures with the predetermined expenditure targets, as delineated in Table 4.3.

The table indicates that the government consistently achieved high effectiveness in managing village funds, particularly in the development sector, with the highest score of 98.26% in 2018. Despite consecutive declines in 2019 and 2020, with percentages of 95.50% and 95.33%, respectively, the effectiveness rebounded in 2021 to 95.42%, reaching its pinnacle in 2022 with a value of 98.41%.

A more comprehensive breakdown of the effectiveness of village fund management during the 2018-2022 period is expounded based on specific criteria. In 2018, the effectiveness presentation reached 98.26%, indicating an efficient category, as the spending target of IDR 1,763,526,464.44 was realized at IDR 1,732,973,446.00. In 2019, the effectiveness presentation was 95.50%, within the effective category, with the spending target of IDR 1,981,247,945.34 realized at IDR 1,892,176,763.00. In 2020, the effectiveness presentation reached 95.33%, categorized as effective, with the spending target of IDR 1,952,035,046.83 realized at IDR 1,860,991,090.00. In 2021, the effectiveness presentation was 95.42%, falling under the effective category, as the spending target of IDR 2,264,809,828.83 was realized at IDR 2,161,247,308.00. Finally, in 2022, the effectiveness level reached 98.41%, categorized as effective, with the spending target of IDR 1,902,359,081.83 realized at IDR 1,872,212,181.92.

Despite fluctuations, the average effectiveness of village fund management from 2018-2022 remains relatively high, with an effectiveness ratio reaching 96.58%. This affirms that the government has been effective in managing village finances, aligning with its defined objectives. In conclusion, the research findings affirm that the management of village fund allocations in Sinjai Regency has been consistently effective during the 2018-2022 period. The hope is that this effectiveness will continue to ascend, providing optimal benefits for the village community in terms of infrastructure development and public services.

5. CLOSING

Based on the research and discussion that has been explained, it can be concluded that the Analysis of the Effectiveness of Fund Allocation Management for Sinjai Regency has achieved a good level of success. The average level of effectiveness during the 2018 to 2022 period is 96.58%, indicating that the government of West Sinjai District, Sinjai Regency, has succeeded in managing the Village Fund Allocation (ADD) effectively as expected.

The suggestions that can be given based on the results of this research involve several aspects. First, for the village head and staff of Bonto Salama Village, it is recommended to continue to optimize available resources to improve the management and use of the expenditure budget with the aim of maintaining its level of effectiveness. Second, the importance of socializing to the community that their participation is very important in the village development process. Community awareness and participation need to be increased so that they are actively involved in various stages of development in Bonto Salama Village. Finally, for future researchers, it is recommended to carry out a more detailed analysis regarding the effectiveness of village fund allocation by considering the addition of other variables to increase research accuracy.

BIBLIOGRAPHY

Afridian Wirahadi Ahmad, G. E. (2020). ISSN. *Analisis Efesiensi dan Efektifitas Keuangan Desa/Nagari Kabupaten Tanah Datar Sumatera Barat*, 173-175.

Anisa, N. (2022). Anlisan Kinerjan Dana Desa

Terhadap Alokasi Dana Desa Dalam Meningkatkan Efektivitas Program Pembangunan Desa (Studi Kasus Desa Salubua Kecamatan Suli Barat Kabupaten Luwu.

Dethan, M. A. (2019). Efektifitas Pengelolaan Alokasi Dana Desa (ADD): Suatu Pendekatan Teoritis. jurnal Akuntansi: Transparansi dan Akuntabilitas, 7(1),15-19. https://doi.org/10.335508/jak.v7i1.1300. *Jurnal Akuntansi: Transparansi dan Akuntabilitas,* 7(1), 15-19, 7(1), 15-19.

Dethan, M. A. (n.d.). Efektifitas Pengelolaan Keuangan Alokasi Dana Desa (ADD0.

Elsyra, N., Albadry, S. A., & Istianingsih, N. (2020). Efektivitas Pembangunan Desa Pada Pelaksanaan Kebijakan Dan Manajemen Keuangan Desa Di Kabupaten Bungo. *Edusaintek*, *4*(1), 86–95.

Febri Arifiyanto, D., & Kurrohman, T. (2014). Akuntabilitas Pengelolaan Alokasi Dana Desa Di Kabupaten Jember. *Jurnal Riset Akuntansi Dan Keuangan*, *2*(3), 473.

Firmansyah, F., & Aulia, A. (2020). Analisis Manajemen Keuangan Desa Dalam Meningkatkan Efektifitas Pelaksanaan Program Pembangunan Di Desa Tassese Kabupaten Gowa. *Jurnal Ilmu Manajemen Profitability*, *4*(1), 1–12.

Gibson JL JM Invancevich, JH Donnely. 2001. Organisasi, terjemahan Agus Dharma, Jakarta : erlangga; hal 120.

Hulu, Y., Hamdani, R., Muhammad, H., & Nasution, A. (2018). *Jurnal Pendidikan Ilmu-Ilmu Sosial Pengelolaan Dana Desa dalam Pemberdayaan Masyarakat Desa*. *10*(1), 146–154.

Kartika, R. (2012). Partisipasi Masyarakat dalam Mengelola Alokasi Dana Desa (ADD) di Desa Tegeswetan dan Desa Jangkrikan Kecamatan Kepil Kabupaten Wonosobo. *Jurnal Bina Praja*, *04*(03), 179–188.

Listiyani, R. (2015). Efektivitas Implementasi Kebijakan Penggunaan Dana Desa Tahun Anggaran 201 Di Desa Gunungpring Kecamatan Muntilan Kabupaten Magelang. *Fis Uny*, 1–12.

Mamuaja, J., Kawatu, F. S., & Kambey, A. (2021). Efektivitas Pengelolaan Alokasi Dana Desa. *Jurnal Akuntansi Manado (JAIM)*, *7*(1), 249–258.

Mira Hastin, D. G. (2019). *Analisis Efektifitas Alokasi Dana Desa (ADD) Dalam Menunjang Pembangunan Pedesaan Di Desa Mukai Mudik Kecamatan Siulak Mukai Kabupaten Kerinci Tahun 2010-2017,* 153.

Nikmatur, R. (2017). Proses Penelitian, Masalah, Variabel dan Paradigma Penelitian. *Jurnal Hikmah*, *14*(1), 63.

Padoma, P. S. G., & Setiyawati, N. (2021). Pembangunan Sistem Informasi Perencanaan Program Kerja Berbasis Web (Studi Kasus GKPMI Getsemani Sorong). *IKRA-ITH INFORMATIKA: Jurnal Komputer Dan Informatika*, *5*(1), 39–50.

Partini h. (2016). *Evaluasi Pengelolaan Dana Desa (DD) Dalam Meningkatkan Pembangunan FisiPartini h. (2016). Evaluasi Pengelolaan Dana Desa (DD) Dalam Meningkatkan Pembangunan Fisik Desa Balangtanaya Kecamatan Polongbangkeng Utara Kabupaten Takalar. July*, 1–23.

Pedoman umum dan petunjuk teknis pelaksanaan alokasi dana desa (ADD) Kabupaten Sinjai: Badan Pemberdayaan Masyarakat Dan Pemerinthan Desa, 2014.

Putra, C. K., Pratiwi, R. N., & Suwondo. (2012). Pengelolaan Alokasi Dana Desa dalam Pemberdayaan Masyarakat Desa (Studi pada Desa Wonorejo Kecamatan Singosari Kabupaten Malang). *Jurnal Administrasi Publik (JAP)*, *1*(6), 1203–1212.

Sihotang, E. (2020). *Analisis efektivitas pemanfaatan alokasi dana desa dalam meningkatkan pembangunan infrastruktur di desa Parbuluan VI Kabupaten Dairi*.

Siti, A., Hutami, S., Pemerintah, S., & Wajo, K. (2017). Analisis Pengelolaan Alokasi Dana Desa (ADD) di Desa Abbatireng Kecamatan Gilireng, Kabupaten Wajo. *Jurnal Ilmu Pemerintahan*, *10*(1), 10–19.

Suci Yolanda. (2021). Analisi Efektivitas Program Alokasi Dana Desa (Add) Pada Desa Belanti Kabupaten Organ IIir (Doctoral Dissertation), 021008 Universitas Tridianti Palembang.

Sugiyono, 2009. Metode Penelitian Kuantitatif, Kualitatif, Dan R&D. Bandung, Alfabeta

Sunardi, N., & Lesmana, R. (2020). Pelaksanaan Alokasi Dana Desa Terhadap Manajemen Keuangan Desa dalam Meningkatkan Efektivitas Program Desa Sejahtera Mandiri Di Desa Cihambulu, Kec. Pabuaran, Kab. Subang. *Jurnal SEKURITAS (Saham, Ekonomi, Keuangan Dan Investasi)*, *3*(3), 277.

Tanti, I. R. (2007). Efektivitas Dan Dampak Penggunaan Alokasi Dana Desa Terhadap Pemberdayaan Masyarakat (Studi Kasus Di Kecamatan Gondangwetan Kabupaten Pasuruan) (Doctoral dissertation, University of Muhammadiyah Malang), 1–14.

Tikollah, M. R., & A. Ngampo, M. Y. (2018). Analisis Pengelolaan Alokasi Dana Desa (Add) Di Kecamatan Mare Kabupaten Bone. *JEKPEND: Jurnal Ekonomi Dan Pendidikan*, *1*(1), 87.

Undang-Undang Nomor 6 Tahun 2014 Tentang Desa. Pasal 67 ayat (2) point (b),(d) dan (e), op.cit,

Wida, S. A., Supatmoko, D., & Kurrohman, T. (2017). Akuntabilitas Pengelolaan Alokasi Dana Desa (ADD) di Desa – Desa Kecamatan Rogojampi Kabupaten Banyuwangi. *E-Journal Ekonomi Bisnis Dan Akuntansi*, *4*(2), 148.