



Village Fund Management

(Study on the Implementation of Village Fund Policy Based on the Regulation of the Minister of Villages, Development of Disadvantaged Areas, and Transmigration Number 11 of 2019 in Selapai Village, Kaliorang District, East Kutai Regency)

Hasbollah^{1*}

¹Master of Public Administration Study Program, University of Merdeka Malang

*Corresponding author: E-mail: firdausbrothers@gmail.com

ABSTRACT

Village fund become essential to finance the industry. Government provide fund for village. The priority of utilizing funds is to finance the implementation of government agenda, as well as village community empowerment. However, Village Fund management facing few problems such as delays in the distribution of village funds, and the utilization of village funds that are not on target. This study aims to describe and analyze the implementation of village fund management policies based on the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 11 of 2019 in Selangkau Village, Kaliorang District, East Kutai Regency. Simultaneously, it investigate the factors that encourage and impede the implementation of the village fund management policy. Through a descriptive-qualitative approach, this research successfully concluded that the implementation of village fund management policy based on the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration No. 11 of 2019 in Selangkau Village, Kaliorang District, East Kutai Regency is good but still not optimal. Because, the implementation of the policy is still constrained by the existence of the number of quantity and quality of human resources/implementors who have not yet filled; inappropriate staff placement; and division of tasks and responsibilities that are not yet clear and efficient in each implementor.

Keywords: Village Fund Management, Selangkau Village, Implementation of Public Policy

©2020 Published by University of Merdeka Malang

1. INTRODUCTION

Government, it is explained that the granting of regional autonomy authority to districts/cities is based on the principle of decentralization, deconcentration, and the task of assistance in the form of broad, real, and responsible autonomy. Regional possessed the right to manage and manage their own government affairs and the interests of local communities in accordance with the laws and regulations.

Furthermore, the autonomy more focused on community empowerment efforts, the role of the Village Government as the leading institution in the government system that directly dealing with the community becomes very important. The success or not achievement of the target of implementing regional autonomy depends largely on how well the village government performs in implementing the role, function, and authority as public servants. The success or not achievement of the target of implementing regional autonomy depends largely on how well the village government performs in implementing the role, function, and authority as public servants. Law No. 6/2014 on villages defines villages as a unity of legal communities that own territorial boundaries which allow local authorized to formulate, regulate and control local affair, the interests of local communities based on culture, tradition inherited in the system of the Republic of Indonesia. The ideal village picture envisioned in Law No. 6 of 2014 is a strong, advanced, independent and democratic village. The goal is realized one of them by organizing the empowerment of village communities. Center of attention is to realize local people as a subject and village as a legal subject to employed finances and assets to accomplished local welfare. In operationalization to realize the autonomy of the village requires a budget. This is stipulated in Law No. 6 of 2014 on Villages which describe evry money and any form of resource can be use to implement the government agenda to generate income and expenditure in order to smooth village operation.

One of the sources of village finance is the Village Fund. The new Village Fund was implemented in 2015 with the issuance of Government Regulation No. 60 of 2014 on Village Funds derived from the State Budget. Allocation of village funds to districts/cities based on the number of villages by considering the number of residents, poverty rates, area, and geographical difficulty. Revenue generated from state budget. The purpose of the government to distribute village funds directly to the village is so that the village is empowered in running and managing to manage and take care of the priorities the interest of local communities. The use of village funds is managed through participatory development mechanisms by placing village communities as the subject of development. Therefore, the plan to use village funds must be discussed and agreed in village deliberations.

As mentioned earlier, concerning the Priority of The Use of Village Funds in 2020, Village Fund is one of the central government's policies to strengthen villages. Village Fund Management is carried out based on several policies ranging from Law, Government Regulation, Ministerial Regulation to Regional Head Regulation. The implementation of policies in the management of village funds can be said to be good if the three perspectives above run well because the management of village funds is in accordance with the laws and regulations governing them, and if from three perspectives one of them does not run smoothly this means that the implementation of village fund management policy does not run well or is not in accordance with the laws governing it. However, in the use of village funds are stored a number of problems faced by the village, such as delays in the distribution of village funds, the use of village funds that are not on target, delays in the preparation of the Village Government Work Plan and village budget, delays in reporting the use of village funds, and procedures for implementing various development activities that are not in accordance with applicable regulations.

Based on these problems, researchers wanted to conduct a study with the title: Village Fund Management (Village Fund Policy Implementation Study Based on Regulation Number 11 Year 2019 in Selangkau Village, Kaliorang District, East Kutai Regency).

Based on the background of the above problems, the problem formulation in this research is: First, how is the implementation of village fund management policy in Selangkau Village, Kaliorang District, East Kutai Regency? Second, what are the factors that encourage and hinder the management of village funds in Selangkau Village, Kaliorang District, East Kutai Regency?

2. LITERATURE REVIEW

Public Policy Theory

Many experts define public policy, among others, by the State Administration Institute of the Republic of Indonesia (2004: 193) which states that public policy is a set of decisions to deal with a situation or problem, containing certain values, containing provisions on the objectives, ways and means and activities to achieve it. Anderson (in Subarsono, 2005) defines public policy as a policy established by government agencies and officials. Chandler & Plano (in Tangkilisan & Nogi, 2003: 1) it also argues that it use resources to solve problem

that public policy is a strategic utilization of existing resources to solve public or government problems. Whereas Lasswell & Kaplan (in Islamy, 2006: 15) defines wisdom as a projecterd program of goals, values and practice which means a program of achievement of goals, values and targeted practices. Meanwhile, according to Nugroho D. (2003), public policy is a rule governing shared life that must be obeyed and applies to bind all its citizens.

Nugroho D. (2009: 98) classifies the purpose of public policy based on its form and nature, namely first when observing the ikhwal formulated a public policy then it is clear to all that the goal is to create order and justice for all and in all citizens of the community, which means for and for the welfare of all society, and not to preserve power for policy makers or rulers. This is the original nature of public policy.

In solving a problem faced by public policy, Dunn stated that there are several stages of analysis that must be done Tangkilisan & Nogi (2003), namely: (1) agenda setting (policy agenda), (2) policy formulation (policy formulation), (3) policy adoption (policy adoption), (4) policy implementation(policy implementation), and (5) policy assessment (policy evaluation).

George C. Edward III's Theory of Public Policy Implementation

Policy implementation is an important aspect of the entire policy process. Wahab (1997: 59) asserts it essential, even more important than policy making. Policies can not realized the achievement without implementation. Then in the implementation of policies / programs, especially involving many government organizations / agencies or various actions can be seen from three points of view, namely: initiators / policy

makers (policy makers), implementing officials in the field (the periphery), and individual actors outside government agencies to whom the program is intended, namely the target group.

In policy implementation studies, factors that influence the success of policy implementation as presented by experts in many theories. The following will be put forward policy implementation theory according to George C. Edward III (1980).

The approach adopted by Edward III quoted by Agustino in his book entitled "The Basics of Public Policy" (2017: 136-142), there are four variables that greatly determine the successful implementation of policy, which are : communication, resources, disposition and bureaucratic structure. The first variable that affects the successful implementation of a policy, according to George C Edward III, is communication. Communication determines the success of achieving the objectives of effective implementation when decision makers already know what they are going to do.

There were three indicators to measure the success of communication variables, namely transmission, clarity, and consistency. The second variable or factor that affects success implementation of a policy is a resource. Resources are another important point in implementing policies. Resource indicators consist of several elements, namely: staff, information, authority, and facilities. The third variable that affects the success rate of public policy implementation is disposition. The disposition or attitude of policy implementers is an important factor in the approach regarding the implementation of a public policy. If the implementer of a policy wants to be effective, then the policy implementer not only knows what will be done but must have the ability to do so, so that in practice there is no bias. Important things that need to be observed in variable disposition are the effect of disposition, staffing the bureaucracy, and incentives. The fourth variable that affects the success rate of public policy implementation is bureaucratic structure. There are two characteristics that can boost the performance of bureaucratic structure / organization towards a better direction, namely making standard operating procedures (SOP) more flexible, and fragmentation to spread the responsibility of various activities, activities, or programs in several work units in accordance with their respective fields.

Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration No. 11 of 2019

It concerning priority use of village funds in 2020 is an amendment from Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 22 of 2018. According to article 1 paragraph 2 village fund taken from state budget that intended for village to finance the implementation of development and empowerment of local communities.

According to the ministerial regulation, the purpose of setting priority use of village funds is to provide reference: (1) Government, Provincial Government, and District/City Government in monitoring, evaluating, mentoring village communities, fostering, and facilitating priority use of Village Funds; (2) Regency/City And Village Government in facilitating the implementation of village authority based on the right of origin and local authority of village scale; and (3) The Village Government in setting priorities for the use of village funds in village development planning activities (Article 2). The priority of using village funds must provide maximum benefits for the villagers in the form of: improving quality of life, improving welfare, poverty reduction, and improving public services (Article 5)

3. METHODS Research Approach

This study used qualitative to answer social phenomena in understanding in natural form of the behavior, action, perception and others holistically and in a descriptive way in the form of words and language in one special context (Moleong, 2010: 147).

According to Sugiyono (2015: 49-53), descriptive research is not intended to test a particular hypothesis, but simply describes what it is about something variable, symptomatic or circumstance.

Research Focus

Based on the problems and research objectives to be achieved, the focus of this research is as follows:

- 1. Implementation of Village Fund management policy based on *Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 11 of 2019* in Selangkau Village, Kaliorang District, East Kutai Regency (Indicators: communication, resources, disposition, and bureaucratic structure).
- 2. Factors that encourage and impede the management of village funds based on the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 11 of 2019 in Selangkau Village, Kaliorang District, East Kutai Regency (Indicators: internal factors and external factors)

Data Collection

Author used: interview, observation and documentation. Three data collection techniques are carried out in a complementary way.

Data Analysis

Data analysis that employed in this study were: data condensation, present data (data display), and drawing conclusion and verification (Miles, Huberman & Saldana (2014).

4. **RESULTS AND DISCUSSION**

Implementation of Village Fund Management Policy Based on *Regulation of the Minister of Villages,* Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 11 of 2019 in Selangkau Village, Kaliorang District, East Kutai Regency

In researching the implementation of village fund management policy used research indicators as stated by Edward III (1980), namely Communication, Resources, Disposition, and Bureaucratic Structure.

5 ICONISS 2020

Communication

The results of this study indicates in term of "communication" that the implementation of village fund management policy in Selangkau village point out several thing such as: It has been carried out through an effective communication delivery process. Secondly, it already has clarity in its objectives, and applications so that the implementers have the same perception of the policy concept; and there is consistency between the expected objectives and the implementation in the field so that the policy does not cause confusion.

The results of this study are in line with the view of Edward III (1980) who stated that communication is one of the factors that can influence the successful implementation of a policy. Communication determines the success of achieving the objectives of effective implementation when decision makers already know what they are going to do. The success of a communication can be determined by the process of communication transmission, clarity of communication, and consistency of commands. **Resources**

The results of this study show that in terms of "resources", that the implementation of village fund management policy in Selangkau village point out several thing such as: It does not yet have the amount (quantity) and quality of human resources / implementors that accommodate. Secondly, it already has clear policy implementation guidelines; Thirdly, it has a strong policy legal basis; Fourthly, the Human resources already have authority that is in accordance with its main purpose and function; and Finally, it has been supported by the availability of adequate facilities and facilities.

The results of this study are in line with the view of Edward III (1980) who stated that resources are factors that can influence the success of a policy implementation. Resources are important in implementing policies. Resources consist of several elements, namely staff, information, authority, and facilities.

Disposition

The results of this research have illustrated that in terms of "disposition", that the implementation of village fund management policy in Selangkau village point out several thing such as: The implementors in the implementation of village fund management policy in Selangkau Village have a strong commitment; It has not done the appropriate staff placement; and the provision of incentives for staff has been done adequately.

The results of this study are in accordance with the explanation of Edward III (1980) who stated that one of the factors that can influence the success rate of public policy implementation is disposition. The disposition or attitude of policy implementers is an important factor in the approach regarding the implementation of a public policy. If the implementer of a policy wants to be effective then the policy implementer not only knows what will be done but must have the ability to do so, so that in practice there is no bias. Important things that need to be observed on variable disposition are the effect of disposition, staffing the bureaucracy, and incentives.

Bureaucratic Structure

In this research, it was successfully revealed that in terms of "bureaucratic structure", that the implementation of village fund management policy in Selangkau village point out two important outcome

such as: It has used Standard Operating Procedure (SOP) as a reference; and there has been no clear and efficient division of duties and responsibilities in each implementor.

The results of this study are in accordance with the explanation of Edward III (1980) who stated that one of the factors that can influence the success rate of public policy implementation is bureaucratic structure. There are two characterisitics that can boost the performance of bureaucratic structure / organization in a better direction, namely making standard operating procedures (SOP) and fragmentation. SOP needs to be made more flexible. SOP is a routine activity that allows employees to carry out their activities on a daily basis in accordance with the standards set. Fragmentation is to spread the responsibility of various activities, activities, or programs in several work units in accordance with their respective fields

Factors That Encourage and Inhibit The Management of Village Funds Based on The Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 11 of 2019 in Selangkau Village, Kaliorang District, East Kutai Regency

The results of this study have shown the fact that in the implementation of village fund management policy based on the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 11 of 2019 in Selangkau Village, Kaliorang District, East Kutai Regency there are encouraging factors and inhibiting factors.

Driving Factors

In this study successfully revealed the factors that encourage the implementation of village fund management policy *based on the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 11 of 2019* in Selangkau Village, Kaliorang District, East Kutai Regency, as follows:

1. Internally, the factors that have encouraged the implementation of village fund management policy in Selangkau Village include: (a) in terms of "communication", the implementation of this policy has been carried out through the process of delivering effective communication, already has clarity in its objectives, objectives, and applications, and there is consistency between the expected objectives and its implementation in the field; (b) in terms of "resources", the implementation of this policy already has a strong legal basis, the implementor already has the authority in accordance with the main objectives and functions, already supported by adequate infrastructure and facilities; (c) in terms of "disposition", implementors in the implementation of this policy have a strong commitment; and (d) in terms of "bureaucratic structure", in the implementation of this policy has used standard operating procedures (SOP) as a reference.

2. Externally, the factors that have encouraged the implementation of village fund management policy in Selangkau Village are that they have received support from the mayorotas of the Village Representative Board (BPD) in Selangkau Village.

Inhibitor Factors

Meanwhile, the factors that hinder the implementation of village fund management policy based on regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 11 of 2019 in Selangkau Village, Kaliorang District, East Kutai Regency are as follows:

- 1. Internally, factors that have hampered the implementation of village fund management policy in Selangkau Village, among others: (a) in terms of "Resources" do not yet have the amount (quantity) and quality of human resources / implementors that are housing; and (b) in terms of "Disposition", have not performed appropriate staff placement; and (c) in terms of "Bureaucratic Structure", there has been no clear and efficient division of duties and responsibilities in each implementor.
- 2. Externally, there are no factors that have hindered the implementation of village fund management policy in Selangkau Village

5. CONCLUSION

Based on the discussion on the results of the research, it can be concluded that the following.

- 1. Implementation of village fund management policy based on Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 11 of 2019 in Selangkau Village, Kaliorang District, East Kutai Regency, seen from the aspects of communication, resources, disposition, and bureaucratic structure can be said to be good but still not optimal.
- 2. Factors that have encouraged the implementation of village fund management policies based on the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 11 of 2019 in Selangkau Village, Kaliorang District, East Kutai Regency are: the implementation of this policy has been carried out through an effective communication delivery process; already have clarity in its objectives, objectives, and applications; there is consistency between the expected objectives and their implementation in the field; already have a strong legal basis; implementor already has authority in accordance with its main purpose and function; already supported by adequate infrastructures and facilities; implementors have a strong commitment; already using Standard Operating Procedure (SOP) as a reference; and has received support from the majorities of the Village Representative Board (BPD) in Selangkau Village. Meanwhile, the factors that have hampered the implementation of village fund management policy based on the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 11 of 2019 in Selangkau Village, Kaliorang District, East Kutai Regency are: do not yet have the amount (quantity) and quality of human resources / implementors that accommodate; have not done staff placement appropriately; and there has been no clear and efficient division of duties and responsibilities in each implementor.

REFERENCES

Agustino, Leo. 2017. Public Policy Fundamentals. Bandung: Alfabeta.

- Edward III, George. C. 1980. Implementing Public Policy. Washington DC: Congressional Quarterly Press.
- Islamy, Irfan. 2006. Principles of Formulation of State Policy. Jakarta: Bumi Aksara. State Administration Agency (LAN) Jakarta, 2004.

SANKRI Book II Principles of State Implementation.

Moleong, Lexy. 2010. Qualitative Research Methodology. Bandung: PT Remaja Rosdakarya.

Nugroho D., Riant, 2009. Public Policy. Yogyakarta: UGM Press.

- Nugroho D., Riant. 2003. Public Policy, Formulation, Implementation, and Evaluation. Jakarta: PT. Elex Media Komputindo. Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 11 of 2019 concerning Priority use of Village Funds in 2020.
- Subarsono, AG. 2005. Analysis of Public Policy, Concepts, Theories, and Applications. Yogyakarta: Student Library.

Sugiyono, 2015. Qualitative Research Method and R & D. Bandung: Alfabeta.

Law of the Republic of Indonesia Number 23 year 2014 concerning Local Government.

Law of the Republic of Indonesia Number 6 Year 2014 concerning Villages.

Wahab. 1997, Policy Analysis from Formulation to Implementation of State Policy, Jakarta: Bumi Aksara.