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## The Effectiveness of Funds on Village Development Strategies in Klaten District

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**ABSTRACT:** In realizing the objectives of the development program in each institution it takes a managerial pattern in the management of development and other governmental programs to be perceived and enjoyed by the community. The use of village funds is prioritized in village development. One of the most important things needed is the wisdom of the village head to direct and guide the community to jointly implement the development program. The purpose of this research is to know how the Management Of Village Funds In Development In Klaten District. The research methods used in this study are qualitative methods. The informant in the research is a person who can provide information about the situation and background conditions of research. The focus of research is seen from the indicator according to George Terry, which is planning, organizing, mobilization and controlling. Data collection techniques through observation, interviews, and documentation. The results showed that the Management Of Village Funds In Development In Klaten in the management of village funds is not done transparently or openly to every community even a lot of issues Community that the management of village funds in the use of village funds is not suitable for it.

**KEYWORDS :** Management, Village Funds, Development.

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### INTRODUCTION

In order to realize orderly, transparent, accountable and quality management of Village funds, the central government has allocated funds to support development in the Village, which is a supply from the government as a means of support and stimulus for the development and empowerment of the community in a Village, where the assistance These are used as community facilities in developing and advancing the productivity of a village. In accordance with Government Regulation Number 60 of 2014

Village Funds are funds sourced from the State Revenue and Expenditure Budget intended for Villages which are transferred through the district/city regional budget. The use of Village funds is prioritized in the areas of Village development in maintaining public health facilities and infrastructure, economic efforts and social education, and in the areas of empowering Village communities by developing entrepreneurship, as well as expanding individual economies through procurement or capital assistance. In realizing the goals of development programs in each institution, a managerial pattern is needed in managing development and other government programs so that the benefits can be felt and enjoyed by the community.

The success or failure of the village development program in Klaten Regency is largely determined by the level of exemplary performance of the village head regarding his performance, namely the extent to which the village head can plan, mobilize, motivate, direct, communicate and implement it well. In managing the allocation of Village funds, it shows how little the Village head understands government governance, especially in managing Village finances to finance various existing development programs. It is clear that limited human resources (HR) create latitude in carrying out practices (KKN).

In addition, as the holder of the power to manage finances and fund assets, the Village head in determining the Village income and expenditure budget must involve components of society, but in reality this is mostly handled by the Village head himself. The use of Village funds is not yet complete

felt by the Village community, this shows that there is a lack of implementation of the Village head's obligations in accordance with statutory regulations by providing information to the community about the use of Village funds and there has not even been transparency and accountability as is the obligation of the Village head.

Based on the background description above, the author is interested in taking up research with the title "THE EFFECTIVENESS OF FUNDS ON VILLAGE DEVELOPMENT STRATEGIES IN KLATEN DISTRICT"

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### LITERATURE

#### Previous Research

Thesis research regarding Management of Village Fund Allocations in Village Development is an interesting thesis for students to discuss and research in preparing their final course assignments. Previous research was conducted by Fascal Marel Sandala, Arie J. Rorong, Very Londa (2018). Based on the results of research conducted regarding the effectiveness of using Village funds in community empowerment programs in Klaten District Transparency in training activities for Village heads and Village officials as well as Integrated Service Post (Posyandu) activities in Village is less effective, where the Village government does not openly explain the use of Village funds in these two empowerment programs.

1. In the aspect of participation, it is clearly visible in the community, through community involvement in Integrated (posyandu) activities, while in the village government it is less evident in the planned training program.
2. Training activities for Village heads and Village officials in the use of Village funds in community empowerment programs cannot yet be enjoyed. The obstacles faced have not been able to be resolved by the government. This is closely related to the lack of communication and coordination between the Village government and Village officials as well as Village government partner institutions and the community. Meanwhile, the village community can enjoy Integrated Service Post (posyandu) activities, and this program has been running well in its implementation so it can be said that this activity has been effective.
3. Training activities for Village heads and Village officials cannot be accounted for by the Village government, because there are stages that the Village government does not implement. Lack of accountability by the government makes this activity ineffective. This is different from Integrated Service Post (posyandu) empowerment activities, this activity can be accounted for. This makes the implementation of Integrated Service Post (posyandu) empowerment activities in Village effective.
4. The community empowerment program for training activities for Village heads and Village officials is not continuing. This can be observed from the Village government's work plan for the 2018 fiscal year. While the community empowerment program for Integrated Service Post (posyandu) empowerment activities continues, this can also be observed from the Village government's work plan for the 2018 fiscal year.

### MANAGEMENT

The word "Management" can be equated with management, which also means arrangement or management (Suharsimi Arikunto, 1993: 31). Management is defined as a series of work or efforts carried out by a group of people to carry out a series of work to achieve certain goals. According to George R. Terry (2019: 15)

Management is a unique process, which consists of actions, planning, organizing, mobilizing and monitoring which are carried out to determine and achieve predetermined targets through the use of human resources and other resources.

Griffin (2022: 6) defines management as a process of planning and decision making, organizing, leading and controlling an organization's human, financial, physical and information resources to achieve organizational goals efficiently and effectively. Therefore, management is defined as the process of planning, organizing, leading and controlling organizational efforts in all its aspects so that organizational goals are achieved effectively and efficiently.

#### Management Function

Based on the management function (management) above, in general it can be said that the stages in carrying out management include: planning, organizing, implementing and supervising. These management functions are universal, anywhere and in any organization. But it all depends on the type of organization, culture and members. According to George Terry, management activities or functions include:

#### 1. Planning (Planning)

Planning is an activity that will be carried out in the future within a certain time to achieve certain goals.

#### 2. Organizing

In an organization, cooperation between two or more people is required to achieve a goal effectively and efficiently. Organization is a process for designing formal structures, grouping and organizing and dividing tasks or work among organizational members so that organizational goals can be achieved.

#### 3. Directing (Actuating)

Direction is the desire to make other people follow their wishes by using personal power or position power effectively and appropriately for the long-term interests of the company.

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### 4. Supervision (Controlling)

Supervision is an activity of comparing or measuring that is being or has been carried out with criteria, norms or plans that have been previously determined.

#### Village Financial Management

Village financial management is carried out by the village head as outlined in village regulations regarding the village budget and income and expenditure. Guided by Minister of Home Affairs Regulation Number 37 of 2017 concerning guidelines for village financial management. Based on the general provisions, what is meant by the Village Revenue and Expenditure Budget is the annual financial plan of the village government which is discussed and approved jointly by the village consultative body and determined by village regulations. Thus, the Village APBDesa is the annual operational plan of the government and village development programs which are described and translated in Rupiah figures containing estimated income targets and estimates of the highest limit for Village Expenditures.

#### a. Village Financial

So far, village finances have been defined as all village rights and obligations that can be valued in money, as well as everything in the form of money or goods that can be made into village property in connection with the implementation of these rights and obligations. The village financial management cycle includes: planning, implementation, administration, reporting and accountability. Village finances are managed based on the principles:

#### a) Transparency

Transparency is the principle of openness that allows the public to know and obtain the widest possible information about regional finances.

#### b) Accountability

According to Mardiasmo, (2002) Accountability is the obligation to provide accountability or answer and explain the performance and actions of a person or leader of an organizational unit to parties who have rights or who are authorized to request accountability in the form of reports with the principle that every village financial management activity must be accountable to the community. village, in accordance with statutory regulations and is important to guarantee the values of efficiency, effectiveness and reliability in village financial reporting which contains activities, from planning, to realization or implementation.

#### c) Participative

Participation uses the words participatory, namely the active participation and involvement of the community in the development process. In budgeting, community participation is very important to prevent deviant policies.

Principles of Village Financial Management Various principles or principals Financial management needs to be used as a guideline in managing village finances, so that the very limited amount of funds can be used effectively, efficiently, economically and fairly.

- a. Regional Revenue and Expenditure Budget of Village
- b. The village budget contained in the APBDesa is a single unit consisting of a routine expenditure budget financed by a routine revenue budget.
- c. Village Income Sources
- d. Village income is all legal income that can be valued in money, whereas what is meant in Law Number 6 of 2014 concerning sources of village income is as follows:
- e. Village Original Income, namely the income of 1 person comes from village business results, village assets. Self-help and community participation, mutual cooperation and other village original income.
- f. Part of the proceeds from regional taxes and regency/city levies
- g. Village Fund Allocation (ADD) which is part of the balancing funds received by the district/city.
- h. Village Funds (DD) which are funds sourced from the district/city regional income and expenditure budget and are used to finance government administration, implementation
- i. development, community development and community empowerment.
- j. Financial assistance from the district/city regional revenue and development budget.
- k. From third parties, the village government can receive sources from third parties that are non-binding and legal. For example, from foundations, agencies and organizations.
- l. Financial Implementation of the Village APBD

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- m. Every expenditure incurred at the expense of the Village APBD must be supported by complete and valid evidence, the evidence must be ratified by the village secretary regarding the material truth that arises from the use of the evidence in question. Village treasury expenditures which result in a burden on the Village APBD cannot be made before the village regulations are drafted.
- n. Distribution of Village Funds

The distribution of Village funds each year has details for each Regency based on the total allocation which is calculated using the population, poverty rate, area area and level of geographical difficulty of the Village in each Regency/City as referred to in Government Regulation (PP) Number 60 of 2014 article 2 paragraph 3 letter b is calculated with the following division weights:

- a. 30% for Village residents
- b. 50% for village poverty rate
- c. 20% for the Village area. Distribution of Village funds is carried out through the transfer of Village funds from the State General Cash Account (RKUN) to the Village Cash Account (RKD) which is the account where Village Government money is stored which accommodates all Village revenues which are used to pay all Village expenditure.

The relationship between the central government and regional governments is delegative and coordinative, the central government regulates, determines and distributes Village funds through . In the event that the Regency/City does not distribute Village funds to the Village, the central government also has the authority to sanction cuts in the following year's balancing funds. The government determines the Village Fund ceiling in the type of transfer expenditure to Regions and Villages, in the State Expenditure Group in the Law on the APBN or the Law on changes to the APBN every year. The government calculates and determines the Village Fund ceiling for each Regency/City throughout Indonesia. The results of these calculations and distributions are made into an inseparable attachment to the Presidential Regulation concerning the Elaboration of the state budget .

### Village Fund Management

The use of Village funds is regulated in Minister of Finance Regulation Number 49 of 2016 concerning procedures for allocating, distributing, using, monitoring and evaluating Village funds in Article 21 of Minister of Finance Regulation Number 93 of 2015, adult funds are used to finance government administration, development, community empowerment, and society. Village Funds as referred to in paragraph (1) are prioritized to finance development and empowerment.

The use of Village funds as intended in paragraph (2) is carried out in accordance with the priority use of Village funds determined by the Minister of Villages for development of disadvantaged areas and transmigration. In article 22 it is stated that the implementation of activities financed by Village funds is guided by the general guidelines for the use of Village funds as referred to in article 21 paragraph (4) and technical guidelines issued by the Regent / Mayor.

The Village Head is responsible for managing Village finances, including those sourced from Village funds. Apart from Village funds originating from the APBN, there are 6 (six) other sources of Village income or finance, namely:

- a. Village Original Income (PADesa)
- b. Village Fund Allocation (ADD)
- c. Tax Profit Sharing Funds
- d. Regional Levy (DBH - PRD) which comes from APBD, Government Financial Assistance (Central - Regional).
- e. Third Party Grants
- f. Other legitimate income. Village Finances, including Village Funds, are managed by the Village Financial Management Technical Implementation Team (TTPPKD), namely Village Apparatus consisting of the Village Head, Village Secretary, Head of Affairs and Village Treasurer, each of whom has different authority, duties and responsibilities. . This is done to ensure that control of Village Finances is not in "one hand", but in one team, with a management system that is expected to guarantee against irregularities.

### UNDERSTANDING DEVELOPMENT

According to Riyono Pratikno (1979: 119) defines development as a type of social change where various new ideas are introduced into the social system to increase per capita income and living standards. Development is basically directed at improving national living conditions towards better or more valuable conditions; In other words, it can be said that development is directed at improving the living conditions of the nation's people. Based on the history of village development in the world, there are several forms of development approaches that have been practiced. Connected with the concept of participation, Ohama (1999) clarifies various village development approaches into three categories, namely:

- a. Authoritarian Approach
- b. Tokenism Approach

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### c. Participatory Approach

The term development has become a world language. The desire of nations to pursue a better future according to their respective conditions and methods has given rise to various development concepts such as growth, modernization, reconstruction, innovation, social change, and others. According to Rahardjo Adisasmita (2006:3.) Rural development is an integral part of national development, an effort to improve the quality of rural human resources and society as a whole which is carried out in a sustainable manner based on rural potential and capabilities. In its implementation, rural development should refer to achieving development goals, namely realizing an independent, advanced, prosperous and just life in rural communities.

According to S. P. Siagian (2005: 91) development is a business or series of growth and change business activities that are planned and carried out consciously by

a nation, state and government in the context of nation building. The development that has been carried out must be consciously planned, meaning that both central and regional governments must demonstrate rural development in order to achieve national development goals.

### THE ROLE OF VILLAGE GOVERNMENT IN VILLAGE DEVELOPMENT

Village government officials as leaders and also as organizers of development must have responsibility for the changes that will occur, both changes that occur in society and social changes. For this reason, the Village Government as head of government in an effort to anticipate these changes has the ability to think and act rationally in making decisions that will occur in the community.

Apart from that, decisions will be taken without burdening the people at large. Then, in more clarity and detail, the role of government in national development was stated by Siagian, namely that the government plays a dominant role in the development process. The roles highlighted are as stabilizers, innovators, modernizers, pioneers and self-implementers of certain development activities. Another strategy carried out by the Village government in order to encourage the Village community's desire to participate in Village development is as follows:

#### Research Method

This method uses qualitative research methods. The informants were 1 Village Head, 1 Head of Business Unit (BUMDes), 1 Secretary (BUMDes), 1 BPD, 1 LPMD, 2 Community Figures/organizations, 2 community members. The data collection techniques used are interview techniques, observation techniques and documentation techniques. And the analysis techniques used are data reduction, data presentation, and drawing conclusions.

### RESULT AND DISCUSSION

#### Interview Results Results of interview

Based on the descriptive results of the interviews with the sources above, the following is a summary of all the sources based on the indicators:

#### Planning

Planning in managing Village funds is very important as a basis or guide for determining what actions to take in the future in order to realize development in Paslaten Village. Planning is made through the process of setting goals, establishing procedures and programs. If these procedures are carried out well, it will produce a development program that can accommodate the interests of society as a whole and not just the interests of a group of people.

#### Organizing

Organizing in a government organization. Organization is very important considering that in carrying out their duties each apparatus has different functions from each other and works according to their respective areas of duty. As in the case of managing Village funds, organizationally the person responsible is the Village Head, but the Village Head does not work alone, he is assisted by his staff and each staff has expertise.

which differ according to their field of knowledge and education. Even though the different tasks mean that in carrying out the tasks of the organization it must operate under one command, namely the leader of the organization, in this case the Village Head, this is not carried out completely by the Paslaten Village government.

#### Directing

So that organizational goals can be achieved according to plan, in program management, guidance and constructive suggestions are needed for the smooth running of an organization. Starting from the program planning stage, organizing up to the monitoring stage, there is no direction from the Village head to all existing Village government apparatus so that they can work in accordance with existing

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regulations, both rules made by the organization itself and applicable laws and regulations. Even though direction for organizational staff is important so that they do not deviate from carrying out their duties and have regularity in completing work, this is not done by the government, in this case the Head of Village.

### Controlling

Supervision is a process to find out whether the work that has been carried out is running according to what has been determined or expected. At the supervision stage in the management of Village funds in the Village, it was found that government supervision was still weak, especially in project implementation, so that there were many problems that emerged, especially regarding the quality of work that did not meet standards, was not completed according to the specified time and the use of funds that were accounted for transparently or published.

## DISCUSSION

Good management in an organizational management that is carried out is the initial goal that every agency, whether government, state-owned or private, wants to achieve. This means that how important financial management is in every agency, it needs to receive very serious attention, both from its management elements and from the community. . Good management is following management procedures as stated by a management expert, namely George Terry (2000: 15), who states that management is a unique process, which consists of planning, organizing, activating and supervising actions. carried out to determine and achieve predetermined targets through the utilization of human resources and other resources. In line with this, in discussing the results of this research the author tries to explain them based on the management procedures as mentioned above, namely:

### 1. Planning (planning)

Planning is the entire process of thinking and determining a program carefully about what will be done in the future in order to achieve a desired result and also the process of defining a goal and strategy to achieve that goal and develop it. The processes or stages that will be carried out include:

#### a. Goal setting

Setting goals in implementing Village fund management is the main step in making plans so that implementation can be directed in accordance with the goals and results to be achieved. Carrying out development is one of the village government programs that the Village government wants to achieve, especially since the program is related to meeting community needs, it will definitely receive full support from all elements of society, but if the development program does not address the interests of the community and only the interests of certain groups, the community will definitely not support it and that will cause problems.

b. Determination of Procedures Every organization in carrying out its functions must follow what are called procedures or rules that have been previously established so that in carrying out its duties there is order, such as in managing Village finances. Village finances must follow or be based on stages or steps that have been determined, even though in practice it is still found that several programs and activities implemented do not comply with or follow established procedures.

#### b. Program

Basically, a program is the result of a plan carried out so that organizational goals can be achieved, and to be able to implement the program requires good cooperation from the people involved in implementing the program and from the results of research conducted using interview techniques, it is clear that in The implementation of the development program in Paslaten Village, West Langowan District does not show good cooperation between the Village government, community leaders, religious leaders and the community itself. This can be seen from the lack of communication between the village head and the people implementing the program.

### 2. Organizing

An organization is a group of people (two or more) who are formally united in cooperation to achieve predetermined goals. Regarding cooperation between the Village government and the community, it can be seen from the description above that the Village government does not involve the community in the Village development process. This can be seen from the results of interviews with the community which indicate that the government does not involve the community in the process of managing development funds. And also, every time a decision is made, the Village government does not involve the community and only Village officials are involved in making the decision. This certainly encourages the Village government to be open with the community. So that the community can participate in implementing development in villages in Klaten Regency.

### 3. Briefing/ Diorecting

Direction is a manager's leadership function to improve the quality of an organization or the desire to make other people follow their wishes, in other words, a manager's leadership function to increase work effectiveness and efficiency to the maximum and create a healthy, dynamic work environment, etc.

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For direction related to Village Financial Management, seen from the results of interviews with researchers, currently there is still a lack of direction because there is still a lack of openness from the Village government to the community and not many people, especially the Village community, know about the funds from the center, especially the Village community, what the budget and expenses are. and what it will be used for development is still unknown so this needs to be given more attention by the Village Government in order to increase transparency or openness to the community so that there are no misunderstandings from the Village community to the Village government regarding financial management.

### 4. Supervision

Monitoring is a systematic effort to establish standard performance in planning to design information feedback systems, to compare actual performance with predetermined standards to determine whether deviations have occurred, and to take necessary corrective action to ensure that all sources Company resources have been used as effectively and efficiently as possible to achieve a goal. In terms of supervision in financial management in Paslaten Village, West Langowan District, it is still not going well, starting from reporting evidence to accountability, it is not clear how financial income and expenditure are so there are many people who don't really know how the Village government is performing in relation to financial management and development because they don't carried out transparently. To create effectiveness and efficiency in Village Financial Management, Village Financial Management Principles are needed which are carried out in a transparent, accountable and participatory manner.

### CONCLUSION

Based on the results of existing research, the author concludes that Village Fund Management in Village Development in Klaten Regency has reached the following conclusions:

1. Whereas for planning, the government in Paslaten village has carried out planning related to the management of village funds and development programs in the village, but in this case the village government still does not involve the community in it, including absorbing their aspirations and there is also a lack of transparency regarding the expenditure of the development budget in village.
2. In terms of organization it can be said to be lacking or weak, this can be seen from the lack of cooperation between the Paslaten Village government and the community and this can be proven by the lack of community participation in supporting existing development programs.
3. Direction is one of the management functions that must be carried out by a leader in order to provide guidance, motivation, suggestions and technical instructions to subordinates in carrying out their duties, but in this case it is not practiced enough by the village head so that subordinates and even the community are confused and ask what that must be done or carried out because there is no clear division of tasks to subordinates and instructions to the community regarding what they must do, especially in supporting government programs.
4. The Village Consultative Body (BPD) and the community play a very important role in overseeing the running of the village, including regarding financial management in the village, but so far the government is considered less open to the community, especially in terms of financial accountability not being carried out transparently or openly to the community. .

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