

## Conference Paper

# Village Funding Program Implementation in Wajo District

Ruslimin, Mohamad Thahir Haning, Badu Achmad, Gita Susanti

Doctoral Program of Public administration, Faculty of social and political Sciences, Hasanuddin University

## Abstract.

The village holds a significant role in the Unitary State of the Republic of Indonesia, but its implementation often faces obstacles. One of the main challenges is the formulation of policies, which may involve assumptions, generalizations, and simplifications that do not align with the practical realities during implementation. Consequently, there is a gap between what is formulated and what is effectively implemented. This study employs a literature review with a qualitative approach, specifically a systemic review. The meta-aggressive approach is utilized to synthesize results from various research sources to provide solutions to the research questions.

Based on the study's findings, it is concluded that village fund management in Wajo District has not been effective. In this context, it is recommended to employ Grindle's theory as an analytical tool to address the issues encountered in managing village funds. Grindle's theory comprehensively explains that two variables influence the success of policy implementation: policy content and implementation content.

Corresponding Author: Ruslimin;  
email:  
rusliminmimin73@gmail.com

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## 1. Introduction

Indonesia is a unitary state with a government system in the form of a republic with the sociological conditions of a multicultural society built on the basis of Pancasila, from the center to the villages. For a long time, the village has had its own system and mechanism of government, as well as social norms. However, until now, village development has not become the government's main priority. The term village is adapted to the origins, customs, and cultural values of the people in each autonomous region in Indonesia.

Based on Law No. 23 of 2014 concerning Regional Government, it is stated that regional government is the regional government carries out government affairs according to the principle of autonomy and co-administration with the principle of broadest autonomy within the system and principles of the Unitary State of the Republic of Indonesia. The granting of broad autonomy to regions is expected to increase competitiveness

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with a sense of justice and decency, as well as to prioritize the interests of the local community, including those who are given autonomy (given autonomy).

The village is an important entity in the Unitary State of the Republic of Indonesia. The village has existed since Indonesia was proclaimed on August 17, 1945. The village in the past was a social community and the government of the Indonesian nation, which existed long before Indonesia was founded. Indonesia began to form in the village. These facts show that most of Indonesia's territory is rural. If the number of villages and cities is compared, there are more villages than cities.

The village is mentioned in Law Number 6 of 2014 concerning villages (Village Law) as a legal community unit that has territorial boundaries authorized to regulate and manage government affairs, local community interests based on community initiatives, origin rights, and/or rights recognized and respected in the system of government of the Unitary State of the Republic of Indonesia.

To accelerate the backwardness of rural development, the village government is obliged to carry out accountability in the use of village funds and improve the quality of human resources with an approach that can accommodate all components of human resources with existing qualities capable of participating. In addition, in the process towards a successful village, the Village Fund is effective in community-based rural development by increasing the welfare and prosperity of the village community.

Another potential that needs to be developed and empowered is institutions. Institutions that exist in the village do not need to be uniform in every village. Social institutions are a forum for community aspirations that drive the dynamics of rural communities. Social institutions are expected to grow and be rooted from below, and develop in accordance with local culture and customs, including how to manage village institutions (grassroots). Thus, institutional strengthening and village funding are crucial for achieving successful, safe, and peaceful rural development. In the social system in Indonesia, the village is most important for achieving the basic ideals of nation and state.

Based on Government Regulation Number 72 of 2005, village income consists of: 1) Village Original Income from the results of village assets, results of self-help and participation, and mutual cooperation; 2) Distribution of District Taxes or Restitution; 3) District Central and Regional Balancing Funds or Allocation of Village Funds; 4) Financial Assistance from Provincial and District Governments; and 5) non-binding grants and donations from third parties.

Village Funds are stimulant assistance or incentive funds that encourage financing programs for administering village governance, implementing development, community

development, and community empowerment (Regulation of the Minister of Village Number 5 of 2015), and some of the balancing funds received by districts/cities for at least 10 % of the regional income and expenditure budget after deducting the Special Allocation Fund (Law Number 6 of 2014).

The government's goal of channeling village funds directly to villages is to empower villages to run and manage to regulate and manage priorities in the field of development and empowerment of rural communities. Meanwhile, village funds are managed through a participatory development mechanism by placing village communities as the subject of development. Therefore, plans to use village funds must be discussed and agreed upon in village meetings. The implementation of the Village Fund is intended for physical and nonphysical programs related to indicators. Village development includes education, community income, and health levels [1].

The Village Fund budget is 30% (thirty percent) for apparatus and operational expenditures. Village Government: 70% (70 percent) of community empowerment costs. Expenditures for community empowerment are used for: a) costs for repairing public facilities on a small scale, b) community business capital participation through village-owned enterprises (BUMDesa), c) costs for procuring food security, d) environmental and settlement improvement, e) appropriate technology, f) improvement of health and education, g) socio-cultural development, and other activities that are considered important [2].

Policy can be viewed as a system, and policy can also be viewed as a process. Nugroho [3] stated that, in terms of the policy process, David Easton proposed the most classic policy process theory. Easton [4], explained that the policy process can be analogous to biological systems. A biological system is a process of interaction between living things and their environment, which ultimately creates a relatively stable continuity of life changes. Easton in this terminology analogizes it with the life of the political system. Public policy with a system model presupposes that policy is the result or the output of the (political) system.

Public policy always contains at least three basic components: broad goals, specific goals, and ways to achieve these goals [5]. The method to achieve the target contains several other policy components, namely, who is the implementer, the amount and source of funds, the target group, how programs and management systems are implemented, and how policy performance is measured. In this way, the components of broad and specific objectives are clarified and interpreted. This method is usually called implementation.

Meter and Horn [6] define policy implementation as actions taken by the public and private sectors, both individually and in groups aimed at achieving the goals set in policy decisions. This definition implies an effort to transform decisions into operational activities and achieve changes as formulated by policy decisions.

Another view regarding policy implementation put forward by Elmore [7], is defined as "the whole of activities related to policy implementation." Meanwhile, Mazmanian and Sabatier [8] explain that studying the problem of policy implementation means trying to understand what actually happened after a program was enacted or formulated, namely, the events and activities that occurred after the process of ratifying state policies, be it efforts to administer them. and efforts to have an impact on society or events.

The above view shows that the policy implementation process not only concerns the behavior of administrative bodies that are responsible for implementing programs and eliciting adherence to the target group but also involves a circle of political, economic, and social forces that can directly or indirectly influence the behavior of the target group. all parties involved, and in the end bring logical consequences to both the intended and unexpected impacts (spillover/negative effects).

Grindle's [9] administrative political model assumes that the task of implementation is to establish a chain that allows the direction of public policy as a result of government activity. In this case, the government policy is translated into action programs to achieve the goals stated in the policy. The action program seems to have been translated into specific projects that are easy to implement.

Implementation often encounters obstacles, namely, in the process of formulating policies, there are usually assumptions, generalizations, and simplifications, which are impossible to do in implementation, and the result is a gap between what is formulated and what is implemented. This gap, according to Warnham [10], is caused by the following: (1) resources are not available when needed, (2) lack of information, and (3) the goals of organizational units are often contradictory, so it takes a long time for management to adjust them. Discrepancies may also be caused by: (1) they are not implemented or implemented as they should, and (2) failure in the implementation process.

There are 2), two variables influence the success of policy implementation according to Grindle [9] namely policy content and implementation content. Policy content variables include: (1) interests affected, (2) types of benefits, (3) the desired range of changes, (4) position of the decision maker, (5) program implementation, and (6) availability of resources.

The implementation context variables include (1) the capabilities, interests, and strategies of the actors involved, (2) the characteristics of the government and institutions, and (3) appropriateness and responsiveness.

Based on the explanation above, the research question that arises in this activity is how is the village fund policy implemented in the Wajo District?

## 2. Methods

This type of research is a literature review with a qualitative approach to a systemic review. This method is used to synthesize (summarize) the results of primary research, which are descriptive qualitative in nature with the aim of integrating data to obtain a new theory or concept at a deep and thorough level of knowledge [11].

Francis and Baldesari [12] revealed that several steps were taken in conducting a qualitative systematic review, including formulating research questions, conducting a systematic literature search, filtering and selecting articles deemed suitable for research, and carrying out the stages of analyzing and synthesizing the results. -Find findings, use quality control, and prepare a final report.

Lewin [13] revealed that it is necessary to carry out a meta-aggressive approach to synthesize results that aim to provide solutions to research questions by combining the research results obtained as a whole. When carrying out the meta-synthesis (synthesis of qualitative data), two approaches were taken, namely, the approach using the terms meta-aggression and meta-ethnography.

The theory used to analyze this research is the theory of Grindle [9], which comprehensively reveals that there are two variables that influence the success of policy implementation: policy content and implementation content. Policy content variables include: (1) interests affected, (2) types of benefits, (3) the desired range of changes, (4) position of the decision maker, (5) program implementation, and (6) availability of resources. The implementation context variables include (1) the capabilities, interests, and strategies of the actors involved, (2) the characteristics of the government and institutions, and (3) appropriateness and responsiveness.

## 3. Results and Discussion

Policy implementation is not only related to the mechanism for translating political decisions into routine procedures through bureaucratic channels; rather, it involves issues of conflict, decisions, and who obtains what from a policy. Therefore, it is no

exaggeration to state that policy implementation is an important aspect of the entire policy process. This shows that there is a close relationship between policy formulation and policy implementation in the sense that even if the formulation is done perfectly, if the implementation process does not work according to the requirements, then the policy that was originally good will turn bad, and vice versa.

The community in Wajo District is aware of village funds and village fund allocation as a tool used in village development. However, accountability is applied to the use of Village Funds in village development, and then the community sees in accordance with the fact that every year a village meeting is held to plan programs for the needs of the village community; every year, the Village Fund and Village Funds are issued, which are used for development programs that are urgently needed by the community in Wajo Regency, but the development programs that have been deliberated are carried out in an accountable manner and there is accountable oversight in the use of development village funds that are visible. Do they not carry out budget planning that is used to run village development programs through the Village Fund, so that there are no development results through village fund allocations? Are village consultative bodies involved in supervising village funds and village funds for implementing village development in Wajo District?

Village heads in the Wajo District should implement policies in an accountable, transparent, honest, and fair manner towards the community and villagers. In addition, the community should be involved in deliberations in preparing the budget, implementing development programs, and asking questions about the sources and use of Village Funds, even regarding the objectives of the Village Fund budget used for village development needs.

The Village Consultative Body is an institution that performs the functions and roles of supervisors, and its members are representatives of the village population based on regional representation and are determined democratically. The village government is in contact with the community/villagers, and they are open to their respective village heads. Village organizations should be transparent in the management and implementation of the Village Fund program used for the development and empowerment of village communities.

Based on Government Regulation Number 72 of 2005, village income comprises several aspects. First, Village Original Income includes the results of village wealth, self-help and participation, and mutual cooperation. The second is the distribution of district taxes or restitution. Third, central and district regional balance funds or village

fund allocation. Fourth, financial assistance was provided by the provincial and district governments. Fifth, grants and donations from third parties are not binding.

So far, the use of the Village Fund budget is 30% (30 percent) for personnel and operational expenditures. Village Government: 70% (70 percent) of community empowerment costs. Expenditures for community empowerment are used for: a) Costs for repairing public facilities on a small scale; b) Community business capital participation through Village Owned Enterprises (BUMDesa); c) Costs for procuring food security; d) Environmental and settlement improvement; e) Appropriate technology; f) Improvement of health and education; g) Socio-cultural development; h) Other activities deemed important.

A study by the State Financial Accountability Agency, the House of Representatives of the Republic of Indonesia, on the results of audits by the Supreme Audit Agency on Village Fund Management Guidance and Supervision Activities for the 2015 fiscal year to semester I 2018 in 80 regencies, five cities, and 1,006 sub-districts in 33 provinces throughout Indonesia found several main problems in the management of Village Funds, both in the aspects of coaching and supervision.

Problems in fostering the management of Village Funds include the absence of regulations on setting village government accounting standards and the absence of regulations on the implementation and development of village apparatuses that are complete, up-to-date, and in accordance with higher regulations. Apart from that, Village Fund planning has not been conducted based on the mapping of village problems and needs. The implementation of program development activities has not been fully aligned with the priority scale of village fund use. The problems in the supervision aspect of Village Fund management, among others, concern planning for supervision by the local government, which has not considered risks. This can be seen from the fact that there are still regional governments that do not have plans and maps of problems in monitoring activities. "Supervision has not fully covered the evaluation of the suitability of the Village APB with the priority scale for the use of Village Funds, and the follow-up improvements have not been included in the monitoring results report. With good guidance and supervision of the management of Village Funds, it is hoped that the goals of village development and empowerment can be achieved effectively, efficiently, and in accordance with the applicable laws and regulations.

In reality, the problem that arises is the inaccuracy of a program's target achievement. This is what is questioned in Grindle's theory [9] whether the location of a program is correct, and whether a policy has specified its implementation in detail. In the implementation of the Village Fund program, many were not targeted. This means

that programs that were originally budgeted for financing are often replaced by other programs that turn out to be prioritized.

This is exacerbated by the existence of several types of activities funded by the Village Fund, which are used for personal or group interests. This was conveyed by Father Benyamin Daud, Director of the Larantuka Socio-Economic Development Foundation, regarding several causes of misuse of Village Funds, "The lack of competence of village government officials, lack of transparency and lack of oversight by the government and village communities. Planning has been arranged in such a way by the Village Head and the Village Consultative Body; the management of Village Funds is not in accordance with the Draft Budget, and expenditures are not in accordance with the Draft Budget.

#### 4. Conclusion

Based on the results of the study above, it is concluded that village fund management has not been effective in Wajo District. Thus, it is recommended that the most appropriate theory to be used as an analytical tool in solving the problems faced in managing village funds in Wajo District is Grindle's theory, which comprehensively reveals that there are two variables that influence the success of policy implementation: policy content and implementation content.

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