

Factors Determining the Success of Village Fund Allocation Management in Karangharjo Village, Jember

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Abstract

Abstract This research aims to analyze the influence of human resource competencies, accountability, transparency, oversight systems, and community participation on the management of village fund allocation in Karangharjo Village, Silo District, Jember Regency. The background of this research is the disparity in road infrastructure development between hamlets, which indicates that the management of village funds is not optimal. This study uses a quantitative approach with a survey method, collecting data through questionnaires distributed to 80 respondents, consisting of village officials and the community. The sampling technique uses a saturated sampling method, and data analysis is conducted using validity tests, reliability tests, classical assumption tests, multiple linear regression, coefficient of determination (R^2), as well as t and F tests with the help of IBM SPSS Statistics 25. The results show that partially, the variables of human resource competence, transparency, and community participation significantly influences the management of village fund allocation. Meanwhile, the variables of accountability and oversight systems do not have a significant effect. The implications of this research indicate that improving the effectiveness of village fund management requires strengthening human resource capacity, information transparency, and active community participation in the planning and implementation of village programs.

Kata kunci: Human Resource Competence, Accountability, Transparency, Supervision System, Community Participation, Village Funds.

Introduction

The village is the smallest unit of government that plays a vital role in national development. Since the enactment of Law No. 6 of 2014 concerning Villages, the government has allocated village funds to support the development and empowerment of rural communities. However, the reality on the ground often shows that the management of village funds has not been optimal, and deviations frequently occur. According to the ICW report in 2024, there were 155 cases of corruption in villages with state losses reaching IDR 381 billion.

The management of Village Fund Allocation (ADD) is carried out based on applicable regulations to prevent deviations. According to the Regulation of the Minister of Home Affairs No. 113 of 2014 and Law No. 6 of 2014, ADD is used to finance the administration of government, the implementation of development, community development, and community empowerment. However, practices on the ground show that there are still many obstacles that hinder the optimization of village fund management, especially in terms of transparency, accountability, and community participation.

Karangharjo village in Silo District, Jember Regency is one of the villages facing challenges in managing village funds (ADD). Based on observations, it was found that the use of ADD has not been fully equitable and effective, particularly in road infrastructure development. There

are still several hamlets with damaged roads even though village funds are allocated every year. Therefore, Karangharjo Village becomes the focus of this research due to the disparity in development, especially in road infrastructure. Although the village budget continues to increase (from IDR 1.43 billion in 2020 to IDR 1.51 billion in 2024), damaged roads are still found in several hamlets. This issue highlights the importance of identifying the factors that influence the effectiveness of village fund management, including human resource competence, accountability, transparency, monitoring systems, and community participation.

Methods

This research uses a quantitative method with a survey approach. The sample consists of 80 respondents comprising village officials and community members involved in the management of ADD in Karangharjo Village. The sampling technique used is the saturated sampling method. Data was analyzed using validity tests, reliability tests, classical assumption tests, multiple linear regression analysis, as well as determination tests (R²) and hypothesis testing (t and f) with the help of SPSS.

Results and Discussion

➤ Test Validity and Reliability

Table 1. Test Validity and Reliability

Variable	Indicators	R Calculate	R table	Description
Human Resource Competence (X1)	X1.1	0,752	0,2242	Valid
	X1.2	0,719	0,2242	Valid
	X1.3	0,603	0,2242	Valid
	X1.4	0,526	0,2242	Valid
	X1.5	0,519	0,2242	Valid
Accountability (X2)	X2.1	0,641	0,2242	Valid
	X2.2	0,892	0,2242	Valid
	X2.3	0,719	0,2242	Valid
	X2.4	0,831	0,2242	Valid
	X2.5	0,653	0,2242	Valid
	X2.6	0,781	0,2242	Valid
	X2.7	0,666	0,2242	Valid
	X2.8	0,623	0,2242	Valid
Transparent (X3)	X3.1	0,806	0,2242	Valid
	X3.2	0,786	0,2242	Valid
	X3.3	0,725	0,2242	Valid
	X3.4	0,710	0,2242	Valid
	X3.5	0,718	0,2242	Valid
	X3.6	0,692	0,2242	Valid
	X3.7	0,756	0,2242	Valid
Surveillance System (X4)	X4.1	0,843	0,2242	Valid
	X4.2	0,799	0,2242	Valid
	X4.3	0,622	0,2242	Valid
Community Participation (X5)	X5.1	0,696	0,2242	Valid
	X5.2	0,892	0,2242	Valid
	X5.3	0,736	0,2242	Valid
	X5.4	0,689	0,2242	Valid
	X5.5	0,790	0,2242	Valid
	X5.6	0,791	0,2242	Valid
	X5.7	0,500	0,2242	Valid
	X5.8	0,542	0,2242	Valid
	X5.9	0,393	0,2242	Valid
	X5.10	0,897	0,2242	Valid
	X5.11	0,748	0,2242	Valid

	X5.12	0,767	0,2242	Valid
Management of Village Fund Allocation (Y)	Y1	0,767	0,2242	Valid
	Y2	0,846	0,2242	Valid
	Y3	0,787	0,2242	Valid

Source: Analisis

The results of the validity test that yield a calculated r-value greater than the table r-value indicate that the questionnaire used has undergone a good validity process.

Table 2. Reliability Test

Variabel	Cronbach's Alpha	Standard Alpha	Keterangan
Kompetensi Sumber Daya Manusia (X1)	0,621	0,6	Reliabel
Akuntabilitas (X2)	0,869	0,6	Reliabel
Transparansi (X3)	0,855	0,6	Reliabel
Sistem Pengawasan (X4)	0,625	0,6	Reliabel
Partisipasi Masyarakat (X5)	0,911	0,6	Reliabel
Pengelolaan Alokasi Dana Desa (Y)	0,717	0,6	Reliabel

Source: Analisis

The results of the reliability test show that each variable or scale in the questionnaire has achieved a Cronbach's Alpha value greater than the desired Standard Alpha of 0.6.

Table 3. Normality Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		80
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	.04923016
Most Extreme Differences	Absolute	.090
	Positive	.090
	Negative	-.059
Test Statistic		.090
Asymp. Sig. (2-tailed)		.164 ^c
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source: Sample Kolmogorov Test

Based on the data, it shows a normal distribution indicated by a significant value > 0.05, which is 0.164.

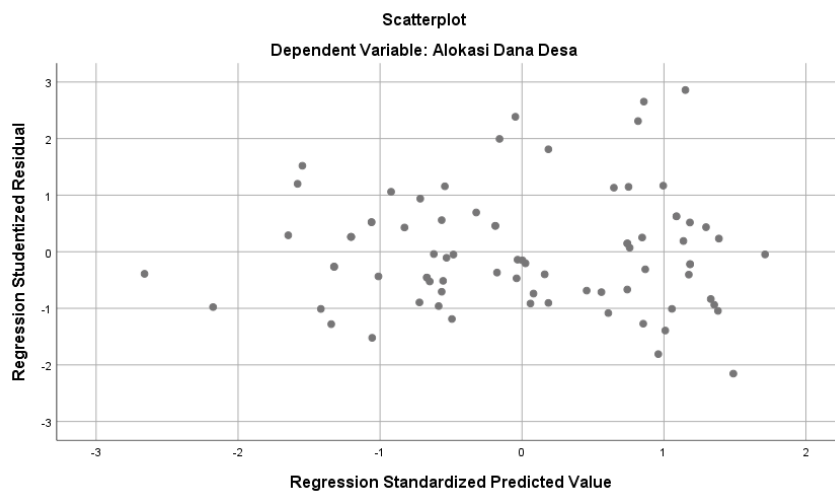
Table 4. Multicollinearity Test

Coefficients ^a				
Model		Sig.	Collinearity Statistics	
			Tolerance	VIF
1	(Constant)	.000		
	Human Resource Competence	.020	.547	1.829
	Accountability	.611	.833	1.201
	Transparency	.000	.627	1.596
	Surveillance System	.180	.876	1.142
	Community Participation	.033	.434	2.302
a. Dependent Variable: Village Fund Allocation				

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Source: Village Allocation

Based on the results, it shows that the Variance Inflation Factor (VIF) for each dependent variable has a value of <10 , and the tolerance value for each independent variable is > 0.1 . This indicates that there are no issues with correlation or multicollinearity in each independent variable.

Figure 1. Scatterpiot

Based on the results of the scatterplot test, it can be seen that the plot graph, the dots in the image, are scattered above and below the zero mark on the Y-axis and do not form a wavy pattern, spreading out, so it can be concluded that there is no issue of heteroskedasticity.

Table 5. Results of Multiple Linear Regression Analysis

Coefficients ^a				
Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	5.358	1.357	
	Human Resource Competence	-.134	.056	-.236
	Accountability	-.014	.028	-.041
	Transparency	.329	.041	.752
	Surveillance System	-.106	.078	-.106
	Community Participation	.061	.028	.241

a. Dependent Variable: Village Allocation

Source: Village Allocation

Based on the results of multiple linear regression analysis with independent variables, the description and interpretation of the multiple linear regression equation above are as follows:

1. The constant value (Intercept) is positive, explaining the situation when the independent variables of human resource competency, accountability, transparency, monitoring systems, and community participation have a value of zero, then the dependent variable of Village Fund Allocation Management will be positive. A value of 5.358 indicates that the constant shows a positive value.

2. The regression coefficient value of -0.134 for the human resource competency variable (X1) is negative, indicating a negative relationship and opposite direction with the Village Fund Allocation Management variable (Y).

3. The regression coefficient value of -0.14 for the Accountability variable (X2) is negative, indicating a negative relationship and opposite direction with the Village Fund Allocation Management variable (Y). Nilai koefisien 0,329 untuk variabel Transparansi (X3) bernilai positif menjelaskan adanya hubungan yang positif dan searah dengan Alokasi Dana Desa (Y).

4. The regression coefficient value of -0.106 for the Supervision System variable (X4) is negative, indicating a negative and opposite relationship with the Village Fund Allocation variable (Y).

5. The coefficient value of 0.61 for the Community Participation variable (X5) is positive, indicating a positive and direct relationship with the Management of Village Fund Allocation (Y).

Table 6. Results of the Determination Coefficient Test

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.776 ^a	.603	.576	.710
a. Predictors: (Constant), Community Participation, Monitoring System, Accountability, Human Resource Competence				
b. Dependent Variable: Village Fund Allocation				

Source: Village Allocation

Based on the results obtained, the percentage of variability of the village fund allocation management variable (Y) clarified by the Human Resource Competency

variable (X1), Accountability (X2), Transparency (X3), Supervision System (X4), and community participation (X4) shows that the Adjusted R Square value is 0.576 or 58%, while the remaining $100-58\% = 42\%$ is explained by other variables outside the regression model.

Table 7. Results of the t-test

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.358	1.357		3.948	.000
	Human Resource Competence	-.134	.056	-.236	-2.382	.020
	Accountability	-.014	.028	-.041	-.511	.611
	Transparency	.329	.041	.752	8.126	.000
	Surveillance System	-.106	.078	-.106	-1.354	.180
	Community Participation	.061	.028	.241	2.171	.033
a. Dependent Variable: Village Fund Allocation						

Berdasarkan hasil dapat dijelaskan sebagai berikut :

a. The results of the t-test for the variable of human resource competency (X1) against the management of village fund allocation (Y) show a significant value of $0.020 < 0.05$ and a calculated t value of $-2.382 < t \text{ table } 1.992$, thus it can be concluded that H1 is accepted, which means that the variable of human resource competency (X1) has an effect on the management of village fund allocation (Y).

b. The results of the t-test for the variable of accountability (X2) against the management of village fund allocation (Y) show a significant value of $0.611 > 0.05$ and a calculated t value of $-0.511 < t \text{ table } 1.992$, thus it can be concluded that H2 is rejected, meaning that the variable of accountability (X2) does not have an effect on the management of village fund allocation (Y).

c. The results of the t-test for the variable of transparency (X3) against the management of village fund allocation (Y) show a significant value of $0.00 < 0.05$ and a calculated t value of $8.126 > t \text{ table } 1.992$, thus it can be concluded that H3 is accepted, which means that the variable of transparency (X3) has an effect on the management of village fund allocation (Y).

d. The supervision system (X4) on the management of village fund allocation (Y) obtained a significant value of $0.611 > 0.05$ and a t calculated value of $-1.354 < t \text{ table } 1.992$, so it can be concluded that H4 is rejected, meaning that the variable of the supervision system (X4) does not affect the management of village fund allocation (Y).

e. The results of the t test for the variable of community participation (X5) against the management of village fund allocation (Y) show a significant value of $0.033 < 0.05$ and a calculated t value of $2.171 > t \text{ table } 1.992$, thus it can be concluded that H5 is accepted, which means that the variable of community participation (X5) has an impact on the management of village fund allocation (Y).

Table 8. Simultaneous Test Results (F Test)

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	56.666	5	11.333	22.471	.000 ^b
	Residual	37.321	74	.504		
	Total	93.988	79			
a. Dependent Variable: Village Allocation						
b. Predictors: (Constant), Community Participation, Oversight System, Transparency, Accountability, Human Resource Competence						

Source: Attachmen Tablet 7

Conclusion

The government allocates village funds every year to improve the welfare of the community and encourage development at the village level. However, in some areas like Karangharjo Village, the utilization has not been even, as evidenced by the many infrastructures that have yet to be addressed, especially the damaged village roads. This indicates a challenge in the management of village funds that requires a comprehensive evaluation of various influencing factors.

This research found that three main factors — human resource competence, transparency, and community participation — significantly contribute to better village fund management. All three encourage more effective planning, implementation, and evaluation of village programs that meet community needs. Meanwhile, accountability and oversight systems have not been able to deliver the expected impact. This weakness indicates the need to strengthen financial reporting mechanisms as well as internal and external control functions.

The importance of improving the competencies of village apparatus through technical and managerial training, encouraging a culture of transparency through the provision of public information openly, actively involving the community in discussions and monitoring the use of village funds, and evaluating and improving reporting systems and supervision mechanisms that are not yet effective. Future research is suggested to explore other factors such as organizational culture, leadership styles, or the utilization of information technology, using a qualitative approach to delve deeper into the perceptions of the community and village officials, and to conduct comparative studies between regions to understand the dynamics of village fund management in various local contexts. The limitation of this research is that it was carried out in only one village (Karangharjo), so the results cannot be generalized to all villages in Indonesia. Furthermore, the approach used is quantitative, thus it does not deeply capture the social context and local dynamics that may affect the outcomes of village fund management. It is recommended for village governments to provide periodic training for village officials to improve technical and administrative competencies, ensure information on fund usage is communicated openly to the community, optimize village deliberation forums as a means for citizen participation, and the central and regional governments are expected to design a

monitoring and reporting system that is simpler, more efficient, and easy to implement at the village level. Further research should be conducted in several villages using a qualitative approach to yield more comprehensive and in-depth results.

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