

Village Fund Policy Implementation Strategy in Community Empowerment Based on Local Wisdom in Sumedang Regency

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Abstract

This research is based on the emergence of village fund management policy problems that have not been implemented effectively. This condition, reflected in the weak consistency of the sustainability of village development that utilizes the village fund budget, is often considered to minimize the role and involvement of village communities and does not involve local wisdom that grows in rural communities. The implication is that it does not provide reinforcement for the empowerment of rural communities. The purpose of this study is to analyze the strategy of implementing village fund policies in community empowerment based on local wisdom. The research method used is descriptive through case studies, while the research approach is qualitative. His research analysis used interactive analysis models from Miles and Huberman. The results showed that the implementation of the Village Fund Policy in supporting community empowerment based on local wisdom in Sumedang Regency has not been effective. This is reflected in the elements of Content of Policy and Context of Policy which have not fully supported the implementation of village funds in Sumedang Regency. The elements that most hinder the implementation of village fund policies in community empowerment based on local wisdom are environmental factors and supervision in village fund institutions, both at the district and village government levels. The ideal strategy to overcome this problem is a diversification strategy, namely by maximizing the potential power to overcome or minimize threats in village fund policies.

Keywords: *Implementation, Policy, Village Fund.*

1. Introduction

The passing of Law Number 6 of 2014 concerning Villages and the establishment of the Ministry of Villages, Development of Disadvantaged Regions and Transmigration have published a number of hopes for improvements for village development. This can be understood, considering that one of the essences of this law regulates village revenue,

one of which comes from the allocation of the State Budget (APBN) in the form of relocation of the village-based central budget which is transferred through the Regency/City Regional Budget.

Data in 2015 showed that the amount of village funds reached Rp.20.17 trillion or an increase of Rp. 11 trillion when compared to the end of the Susilo Bambang Yudhoyono government

period which only allocated Rp. 9 trillion for village development. In 2016, village funds more than doubled from the previous period, reaching Rp. 46.9 trillion and in 2017 amounting to Rp. 60 trillion. During the three years of Joko Widodo's reign, the village funds disbursed amounted to Rp 120 trillion. In 2018, the amount of village funds is planned to increase to Rp.120 trillion. If in 2015 the average per village only received funds of Rp 280.3 million and in 2016 the average village fund per village was Rp 643.6 million, while in 2017 the average per village got Rp 800.4 million, then in 2018 the average per village will get a fund of Rp 1.4 billion. With the amount of funds entering the village, the village is expected to play a role and have a contribution in the national development process (Muliawaty et al., 2022; Mariane et al., 2022).

The distribution of village funds in the form of block grants is a manifestation of the spirit of Law Number 6 of 2014 concerning Villages which highly respects the diversity of potentials, opportunities, needs, aspirations, and practices of local wisdom owned by each village. Law Number 6 of 2014 concerning villages understands local wisdom as a process of implementing development that is in line with the "needs and interests of the village community". However, the inconsistency of the central government began to be seen when it issued policies (Permendesa Number 5 of 2015, Permendesa Number 21 of 2015, Permendesa Number 22 of 2016, Permendesa Number 4 of 2017) regarding the priority of using village funds that did not conflict with the principles of local wisdom, but also dictated village government institutions and villagers to spend village funds as stated in the RPJMDes and APBDDes. In other words, the provisions on the priority use of village funds issued by the central government are very disrespectful to the deliberative process that occurs in the village (Purwanda & Achmad, 2022).

Although the village fund provides capital capabilities to village government institutions and villagers to carry out development according to their potential, conditions and aspirations, it cannot be said that village funds are financial assistance from the central government to the village government. If not managed carefully, then village funds have the potential to create a culture of dependence and a culture of beggars among the village community. This is because the values that the central government wants to transfer through village funds (for example, transparency, participation, local wisdom, deliberation and consensus) must deal with the collective memory of village government elites and villagers who have been bombarded with top-down programs that tend to pamper the community.

In addition, although the village fund policy has only been running for six years (2015 – 2022), the reality has arisen several problems, both in regulatory and institutional aspects, governance, supervision and human resources aspects which in turn cause public doubts about the implementation of village fund policies in empowering village communities. The KOMPAK study (2017), for example, shows that the formula for determining the amount of village funds that a village will receive does not support the objectives of the village law, namely equitable development and poor people's access to public services. The formula for calculating the amount of village funds determined based on population, poverty rate, area and geographical difficulty has caused a sense of injustice and contributed to an increase in inequality given the huge diversity of villages between regions and even within a province. An area that has a large number of villages with a small number of poor people, will obviously get a much larger village fund than an area that has a small number of villages, but the poor population is large.

According to the study of the Director General of Financial Balance of the Republic of Indonesia, there are a number of problems in the implementation of village fund policies, especially regarding the realization of village fund disbursements from districts/cities, because some regions: (a) have not included village funds in the main budget; (b) late in enacting regent/mayoral regulations on the allocation of village funds; (c) must amend the determination of the village fund because the number of villages is different from that stipulated by the Minister of Home Affairs Regulation; (d) late in enacting regent/mayor regulations on guidelines for village financial management and on procurement of goods or services in the village; (e) adding the requirement for disbursement of village funds from RKUD to the Village Cash Account in the form of RPJMDes and RKPDes Documents which make it more difficult for villages to immediately receive village funds; (f) examine the Village Fund Accountability Document as a condition of the next phase of distribution; (g) there are areas that have not dared to channel village funds to the village because there is no village assistance; (h) as well as the concerns of the village apparatus being entangled in legal issues due to administrative errors.

Meanwhile, the results of a study by the Bureau of Budget Analysis and State Budget Implementation of the Secretariat General of DPRI RI concluded that the obligation to prepare accountability reports by villages was inefficient due to overlapping regulatory provisions. Another sharp highlight is on the aspects of governance, including the time frame of the village budget management cycle that is difficult to comply with by the village, the unit of raw price of goods or services used as a reference for the village in the preparation of the Village Budget (APBDes) is not yet available, the transparency of the plan for the use and accountability of village funds is still low and the APBDes prepared does not fully describe the needs needed by the village and

what is quite surprising is that Village funds are prone to manipulation and corruption. Regarding this last point, since the village fund policy was implemented in 2015, the Ministry of Villages, Development of Disadvantaged Regions and Transmigration has received 932 complaints of misappropriation of Village Funds.

In addition, in terms of supervision, there are three problems, namely the effectiveness of the regional inspectorate in supervising financial management in villages is still low, community complaint channels are not well managed by all regions and the scope of evaluation and supervision carried out by the sub-district is not clear. Meanwhile, in the aspect of human resources, there is a potential problem, namely that the accompanying staff has the potential to commit corruption by taking advantage of the weaknesses of village officials so that village assistants who are supposed to function to help the community and village officials actually commit corruption and fraud.

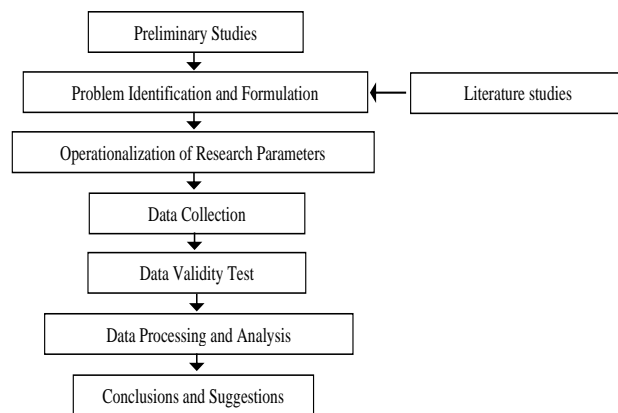
In Sumedang Regency itself, the implementation of the village fund policy which has been started since 2015 until now is still facing various serious problems. This is reflected in the phenomenon which shows that when village funds are distributed to village government institutions, the majority of village governments have difficulty in understanding procedures, implementing participatory planning processes, preparing administrative documents supporting the disbursement of village funds, reporting on the use of village funds, and translating 30 percent of village funds for community empowerment. This fact indicates that the implementation of the village fund policy in Sumedang Regency has not fully supported the strengthening of community empowerment, especially those based on local wisdom.

2. METHOD

In accordance with the context of the research studied, this research is carried out based on a qualitative approach. While the research method used is descriptive through case studies. The collection technique is carried out using literature studies, observations, documentation and in-depth interviews (dept interviews). Research informants consist of; officials of the Sumedang Regency Village Community Empowerment Office, Jatinangor Sub-district, Tanjungsari Sub-district, Pamulihan Village Head Sub-district, Cibeusi, Cipacing, Hegarmanah Gudang, Kutamandiri, Jatisari, Citali, Ciptasari, and Cilembu Village.

Data analysis was performed using an interactive analysis model from Miles and Huberman which included data reduction, data presentation and drawing conclusions. In a comprehensive manner, the process of the research stages can be explained as seen in the figure below:

Figure 2.1 Research Process



3. RESULTS AND DISCUSSION

Conceptually, this research was analyzed based on the implementation theory proposed by Merilee S. Grindle, known as Implementation as a Political and Administrative Process, where the essence consists of two dimensions, namely content and context. Policy content includes six indicators, namely the interests that influence the policy, the type of benefits

that will be generated, the degree of change desired, the position of the policymaker, (who) implementers of the program, and the resources deployed. While the policy context includes 3 indicators, namely; the power, interests, and strategies of the actors involved, the characteristics of institutions and rulers and compliance and responsiveness.

Content Policy

The research findings revealed that from the perspective of influencing interests in the context of implementing the village fund policy, it was illustrated that the policy was implemented by DPMD officers of Sumedang Regency. The mechanism that must be carried out is based on the Regulation of the Minister of Finance (PMK) No. 190 / PMK.07 / 2021 concerning Village Fund Management, Sumedang Regent Regulation Number 37 of 2020 concerning the Second Amendment to Regent Regulation Number 3 of 2020 concerning Procedures for Using, Disbursing, Reporting, Coaching, Supervising, and Imposing Administrative Sanctions for Village Funds in 2020.

In terms of benefits, it was found that the implementation of the village fund policy is a program that has a function as an instrument of equitable distribution of regional development. Through the village fund program, the central government can reach development to remote parts of the country. In addition, empirical facts were found that the benefits obtained from village fund policies in the context of community empowerment based on local wisdom in Sumedang Regency, are reflected in the inclusion of village fund programs that can help the community, especially for groups of programs based on the empowerment of micro and small businesses, such as the National Program for Independent Community Empowerment (PNPM Mandiri).

In the context of the degree of change, the village fund policy wants changes, namely

increasing the ability of the community to maintain their lives, especially related to the community's ability to maintain local wisdom values, so that it is expected to be able to improve the welfare of the village community.

The research findings also reveal that the location of decision-making in village fund policies is considered to be able to determine the achievement of policy objectives that refer to community empowerment based on local wisdom. This means that when the decisions made go well, the objectives of the policy can be achieved properly. The location of decision-making in the village fund policy in Sumedang Regency is directed to overcome problems related to the empowerment of village communities based on local wisdom.

However, it was also revealed that there were problems related to the implementation of village funds, namely that there was still the use of village funds that were not on target and did not empower the surrounding community, and had not fully paid attention to the values of local wisdom. This is due to the planning of community empowerment programs that do not pay attention to community initiatives and aspirations. In other words, the planning designed related to community empowerment programs is more of a top down approach. The implication is that the implementation of the village fund program that has been rolled out has not been fully able to touch on community empowerment based on local wisdom.

Another problem that is also an obstacle in the implementation of village fund policies, lies not only in implementation, but also in planning and evaluation. The problem of delays in setting an indicative ceiling on the amount of village funds for each village in Sumedang Regency is one of the crucial problems. This delay caused the village officials to also be late in compiling the APBDes and RKPdes. In addition, the planning process has not been preceded by a process of properly assessing the state of the village. On the other hand,

community participation in the planning process is also still less than optimal. In the process of deliberation of hamlets, residents tend to be passive and unable to express ideas and ideas of activities that should be carried out. In addition, there is also a tendency for citizens who are apathetic and unwilling to have an opinion about what should be done, because residents tend to judge that in the end the proposals they submit will not be accommodated.

The results of the study also revealed that in terms of village fund management, the roles owned by the persons in charge of village funds, including: (a) organizing socialization of the implementation of programs funded by village funds, (b) compiling program implementer groups at the village level, (c) compiling a collection of activity plans based on approved programs that were announced in meetings with village community leaders and related institutions, and (d) when disbursing funds, providing assistance to the village treasurer.

At the village level, the management of village funds is the direct responsibility of the village head. Therefore, the expected output is in accordance with the objectives and design of the Village Head as a user of the village fund budget. The weakness of this concept is that the use of village funds is very subjective, depending on the vision and mission and competence of each Village Head.

On the other hand, it was found that operationally the human resources within the Sumedang Regency Village Community Empowerment Office and the sub-district office were considered sufficient to carry out their duties and functions, especially in carrying out village fund activities directed at empowering communities based on local wisdom.

Related to the budget resources needed to translate village fund policies has been

regulated through the Minister of Finance Regulation (PMK) Number 190 / PMK / 2021 concerning Village Fund Management. In accordance with the Ministerial regulation, the need for budget resources for this village government is taken from the state budget, which operationally the amount is relatively large. It's just that, at the level of village government management, it seems that there is still a need for guidance and assistance to make accountability clearer.

Context of Policy

Merilee S. Grindle (2016: 142) explained that in a policy, it is also necessary to take into account the strength or power, interests and strategies used by actors to facilitate the implementation of a policy implementation. In this position, the power, interests and strategies of actors involved in village fund policies will be seen in supporting community empowerment based on local wisdom in Sumedang Regency.

Related to the power, interests and strategies of actors involved in village fund policies in supporting community empowerment based on local wisdom in Sumedang Regency, reflected in the results of research that illustrates that policy implementers have their own strategies that are agreed upon and formulated together when planning the use of village funds. However, the implementation of this strategy is not a special strategy, only adjusting to the conditions and needs of each village. Although the calculation of village funds, in this case BLT, already refers to the Minister of Finance Regulation Number 190 / PMK.07 / 2021 concerning village fund management, but in its implementation it is very dependent on field officers, especially in its use. The statement illustrates that the policy implementation strategy determines the success of village fund policies in supporting community empowerment based on local wisdom.

On the other hand, it was found that the environment in which a policy is implemented also influences the success of the policy. Therefore, the characteristics of the institutions implementing such policies will obviously affect the success of the policy. Empirically, it was found that the characteristics of institutions and rulers in implementing village fund policies in Sumedang Regency were considered not fully capable of building good emotional relationships with sub-district employees. In addition, it was also found that stakeholders related to the des aini fund were also considered less open and less able to build synergistic communication with the community through the provision of aspirational facilities that support community complaints.

Empirical facts also found that in the process of implementing the village fund policy, compliance and response from implementers are needed. This is an important part of the process of implementing a policy, where the level of compliance and the response from the policy implementer is a real action from the implementer to carry out his main duties and functions in translating the village fund policy. Regarding the compliance of the implementers of the village fund policy program in Sumedang Regency, especially in supporting community empowerment based on local wisdom, it is considered good. This is reflected in the commitment to realize the success of this program.

The results of the study also revealed that in the management of village funds, the village government has formed an Activity Management Team (TPK) and a Technical Implementation of Village Financial Management (PTPKD) which is strengthened through the Decree of the Village Head. The Technical Executive Member of Village Financial Management (PTPKD) is a village official. Meanwhile, members of the Activity Management Team (TPK) are elements of

village officials coupled with representatives from village institutions and village communities. Thus, the management of village funds should be the duty and obligation of all village officials. In general, the team is considered not fully running optimally. This is reflected in the management of village funds which only rely on a few specific village devices. In addition, the absence of a clear division of duties and responsibilities between all village officials related to village fund management is also one of the problems in itself. This is due to two factors, including; First, the uneven capacity of all village officials in managing village funds, and second, the weak commitment of village officials.

Village Fund Policy Implementation Strategy

To determine the strategy for implementing village fund policies in supporting community empowerment based on local wisdom in Sumedang Regency, it is carried out using an analysis approach of Strengths, Weaknesses, Opportunities and Threats or with the term SWOT analysis (Strengths, Weaknesses, Opportunities and Threats). SWOT analysis is an analysis of the internal and external conditions of an organization which will then be used as a basis for designing a change strategy in the organization. Internal analysis includes an assessment of strength and weakness factors. Meanwhile, external analysis includes opportunity and challenge factors.

Based on the SWOT analysis, it was found that the village fund policy in supporting community empowerment based on local wisdom is in quadrant II. This position is actually quite advantageous, but it is loaded with threats. The strategy that must be implemented in this quadrant is to support the Diversification strategy. Diversification strategies that can be implemented by the village government to maximize village fund policies in supporting community empowerment based on local wisdom in Sumedang Regency, include the following:

- 1) Establish cooperation policies with village communities
- 2) Maximize the set of rules for implementing village fund technical implementation that is clear and complete
- 3) Utilizing the support of the central government in implementing the village fund policy
- 4) Maximizing the potential of kinship characteristics of village communities in Sumedang Regency which is good to spur the involvement of village communities in the implementation of village funds
- 5) Utilizing the potential of local wisdom of warm village communities and a culture of helping each other.
- 6) Providing socialization and coaching to the community, both coaching skills, knowledge and mindset.
- 7) Strengthening the legal foundation so as to avoid political potential that causes intervention in policy implementation.

4. CONCLUSION

Based on the results of the study, it can be concluded that empirically the implementation of village fund policies in supporting community empowerment based on local wisdom in Sumedang Regency has not been fully implemented effectively. This is due to the content of policies and the policy environment that has not been implemented optimally, so it is less supportive of village fund management in Sumedang Regency. The element that most hinders the implementation of the village fund policy is environmental factors at both the district and village government levels. In addition, the supervision factor is also one of the crucial factors in supporting the effectiveness of village government management and accountability in translating village fund policies.

To increase the effectiveness of the implementation of village fund policies in supporting community empowerment based on local wisdom in Sumedang Regency, a diversification strategy is needed, the essence of which is to maximize potential and minimize threats that are quite high. In other words, the implementation of the diversification strategy is believed to strengthen the effectiveness of the implementation of village fund policies in supporting the empowerment of local wisdom-based communities in Sumedang Regency.

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Sumedang Regent Regulation Number 54 of 2018 concerning Technical Guidelines for Preparing Village Medium-Term Development Plans and Village Government Work Plans