
The Effect of Village Fund Allocation on Village Development and Society Welfare

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Abstract

This research is motivated by problems in different villages, development and society welfare are based on the distribution of village funds. This makes village governments dependent on central government funding. This study intends to determine (1) the effect of Village Fund Allocation with village development. (2) the influence between the Village Fund Allocation and the welfare of the society. (3) the influence between Village Fund Allocation with Village Development and society welfare. In this study the approach used is quantitative, while the survey method is the method used in this study. The sample used was 15 people from 12 villages located in Semen District, so that the total sample was 180 people. Methods of data collection using a questionnaire. In this study, data analysis used multivariate analysis and simultaneous test (f test). The conclusions in this study are: (1) the results of the manova test with Sig. $0.043 < 0.05$, therefore H_0 is rejected and H_a is accepted, meaning that there is an influence between the Village Fund Allocation and Village Development (2) the results of the manova test of sig $0.000 < 0.05$ so rejecting H_0 and accepting H_a , which means there is a significant effect between The allocation of village funds to the welfare of the society (3) the results of the joint Manova test of Sig $0.001 < 0.05$ so that H_0 is rejected and H_a is accepted, which means that there is a significant influence between the allocation of village funds on village development and society welfare.

Keywords: Village Fund Allocation, Village Development, Society Welfare

INTRODUCTION

In the context of increasing equitable development in Indonesia, one of which is regional development policies and society performance, especially in rural areas. Village development is a society movement to carry out development consciously in order to promote better activities. Village development includes elements of equitable development and its consequences, which are in direct contact with the needs of the majority of people living in rural areas and within the framework of national and regional development to improve their health. In village development, village government is determined to be a core part of the Indonesian constitutional system, therefore the village has the power and responsibility to formulate and control the needs of its own society. Sources of village income are indispensable in carrying out their authorities, obligations, and obligations in the administration of government and development (Luju et al., 2020). Village development is an initiative that involves various activities involved in meeting the diverse needs of all society members so that they become independent, independent, independent and free from structural constraints that complicate life (Arifin, 2018).

Village development efforts are carried out by the village government both before and after the allocation of the Village Fund Allocation. This development is evidenced by society participation in village development preparatory meetings to discuss advanced and effective development, and the development is also beneficial to the society. In order to achieve equitable growth and economic development, development in Indonesia must start from the countryside. There are several reasons for this. First, almost all Indonesians live in rural areas.

Second, although fiscal decentralization began in 2001, most of the country's basic problems, such as poverty, poor education, poor health, and inadequate facilities and infrastructure, are located in rural areas. Therefore, there is a fundamental need to improve the perception that rural areas occupy a strategic position in the Unitary State of the Republic of Indonesia (Rimawan & Aryani, 2019). The Village Fund Allocation is money distributed to villages from the Regency Government and comes from the Central and Regional Financial Balance Funds obtained from the Regency (Sumarni, 2020). The Village Fund Allocation is obtained from the State Budget that enters the Regency/City on the calculation Local Government Budget after deducting the Special Allocation Fund of 10%.

The budget is a government work program in the form of money for a certain period of time. Thus, the Local Government Budget is a village government work program for one year. This budget is prepared from Local Government Budget. This is an important factor in the development of village government policies, especially the efficiency and effectiveness of village government. The components in the village budget include: (1) Income (2) Expenditures (3) Financing (Peraturan Kementerian Dalam Negeri (Permendagri) Nomor 113 Tahun 2014, 2014). Utilization of Village Fund Allocation must provide maximum use value by prioritizing development activities and strengthening village communities that need to be carried out urgently and more urgently. Local budgets serve as a tool for deciding income and expenditure levels, to support decision-making and development planning, to authorize future spending, and as a source for developing standard measures of performance evaluation. Used as a tool to motivate employees. Various work units as a coordination tool for all activities (Wance, 2019).

The condition of the existing natural resources in Semen District is currently included in the abundant category, it's just that the management of the government is less than optimal in managing so that it is not used as a livelihood for the society. This is a problem that must be solved by the government given the existence of Village Fund Allocation which can be used as capital to manage existing natural resources. Inadequate infrastructure in remote areas is also a problem. Infrastructure plays an important role in increasing investment, expanding society participation, and equitable distribution of development outcomes (Atmaja & Mahalli, 2013).

The presence of the Village Fund Allocation is an incentive for village communities to gain independence in developing in their area. According to Law Number 6 of 2014 concerning Villages, the purpose of this is to (1) Promote the management of village government which organizes government, development and social services according to its mandate. (2) Strengthening the institutional capacity of village communities to plan, implement and manage development as a contribution in accordance with village potential. (3) Promote equality of income, job opportunities and business opportunities in rural communities. (4) Promote more self-help in village communities (Telaumbanua & Ziliwu, 2020). The Village Fund Allocation increases the welfare of the society. It is now known that the rural population is growing rapidly in Indonesia, and the government is obliged to take care of the rural population. The Village Fund Allocation is a fund that is distributed to villages by the district/city government and comes from part of the central and regional financial funds received by the regent (Laira et al., 2018). This program also involves the society and is fully handled by the village government. The Village Allocation Fund is intended to be used to optimize natural resources and develop human resources by promoting life excellence, skills and initiatives with government direction and support.

Based on the description that has been described, researchers are interested in conducting research with the title "The Effect of Village Fund Allocation on Village Development and society Welfare".

RESEARCH METHODS

This study uses a quantitative approach. Quantitative is research that uses various values, such as collecting information, interpreting information, and presenting results (Siyoto & Sodik, 2015). This research also leads to multivariate research where this research uses a large number of variables in total, with the intention of finding the effect of these variables on an object together. In this study the method used is the survey method. According to (Yusuf, 2017) Surveys are one way to collect data from many people through surveys, interviews, letters and telephones.

Population and Sample

The population is all research subjects and fulfills specific characters (Bahri, 2018). This population study only consisted of residents of the cement area of Kediri Regency, with a population of $\pm 43,691$. The Semen sub-district has 12 villages: Semen, Bulu, Kedak, Bobang, Puhribuh, Joho, Pagung, Selopanggung, Kanyoran, Puhsarang, Titik and Sidomulyo villages. The sample is a component of the population obtained through certain methods and has certain characteristics (Sugiyono, 2013). The sampling technique uses non-probability sampling, which is taking a random sample. In this study, 15 samples were taken from 12 villages in the Semen area, consisting of 10 communities and 5 from village officials. So that the total sample in this study amounted to 180 people.

Research Instruments

The instrument used is a questionnaire. According to (Kurniawan & Puspitaningtyas, 2016) the questionnaire is an indirect method of collecting data (researchers do not ask or answer respondents directly).

Multivariate Analysis

To use Manova, you must meet the following requirements: (1) Metric dependent variables must be at least two on an interval scale, (2) Non-metric independent variables use nominal scales, (3) For all dependent variables, data are obtained by random sampling from normal population vectors are multivariate in the population, and for all-cell covariance matrices, sample sizes as large as other multivariate methods need to be performed. The larger the observed sample, the more statistically significant the difference in mean is. Ideally, the minimum sample is 100.

Simultaneous Test (f Test)

Taking provisions (Darma, 2021):

- a) If the probability $f < 0.05$ that is accepting H_a and rejecting H_o
- b) If the probability $f > 0.05$, i.e. rejecting H_a and accepting H_o

Koefisien Determinasi R^2

The coefficient of determination helps test the extent to which the research form describes the dependent variable. The coefficient of determination is between 0-1 (Riyanto & Hatmawan, 2020)

RESULTS AND DISCUSSION

Results

Analysis of Testing the Similarity of Variances-Covariance on Both Variables Simultaneously

Table 1 Manova Test Results of the two variables together

Box's Test of Equality of Covariance Matrices ^a	
Box's M	44.711
F	2.532
df1	15
df2	1.212E3
Sig.	.001

Tests the null hypothesis that the observed covariance matrices o across groups.

a. Design: Intercept + ADD

Source: (SPSS Output Version 23 processed, 2022)

In the above test, there was a significant difference (Sig.) worth $0.001 < 0.05$, namely H0 was rejected and H1 was accepted.

Test of similarity of variance – covariance on both variables depends individually

Table 2 Manova Test Results of the two variables individually

Levene's Test of Equality of Error Variances ^a				
	F	df1	df2	Sig.
DEVELOPMENT (X1)	8.292	9	73	.000
WELL-BEING (X2)	2.391	9	73	.020

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.

a. Design: Intercept + ADD

Source: (SPSS Output Version 23 processed, 2022)

In testing table 4.2, it is known that the Sig value of the village development variable is $0.000 < 0.05$, so H0 is rejected and H1 is accepted. Meanwhile, Sig. Of the society welfare variable is $0.020 < 0.05$, so the conclusion is rejecting H0. Both variables reject H0 because the value is < 0.05 .

Manova analysis of differences between groups

Table 3 Manova Test Results

Multivariate Tests ^a						
Effect		Value	F	Hypothesis		Sig.
				df	Error df	
Intercept	Pillai's Trace	.999	5.897E4 ^b	2.000	72.000	.000
	Wilks' Lambda	.001	5.897E4 ^b	2.000	72.000	.000
	Hotelling's Trace	1.638E3	5.897E4 ^b	2.000	72.000	.000
	Roy's Largest Root	1.638E3	5.897E4 ^b	2.000	72.000	.000
ADD	Pillai's Trace	.904	6.684	18.000	146.000	.000
	Wilks' Lambda	.192	10.250 ^b	18.000	144.000	.000
	Hotelling's Trace	3.706	14.618	18.000	142.000	.000
	Roy's Largest Root	3.566	28.927 ^b	9.000	73.000	.000

a. Exact statistic

b. The statistic is an upper bound on F that yields a lower bound on the significance level.

c. Design: Intercept + ADD

Source: (SPSS Output Version 23 processed, 2022)

Judging from the data above in Pillai’s trace, Wilks’ lambda, Hotelling’s trace and Roy’s largest root, the number shows $0.000 < 0.05$, meaning that H_0 is rejected and H_1 is accepted, i.e. there is an influence of Village Fund Allocation (ADD) on Village Development and society Welfare.

Manova analysis of differences individually or individually depending on “village development and society welfare”

Table 4 Manova Test Results Alone – Alone

Tests of Between-Subjects Effects

Source	Dependent Variable	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	DEVELOPMENT (X1)	119.700 ^a	9	13.300	1.476	.043
	WELL-BEING (X2)	512.748 ^b	9	56.972	27.340	.000
Intercept	DEVELOPMENT (X1)	291244.373	1	291244.373	3.231E4	.000
	WELL-BEING (X2)	208352.160	1	208352.160	9.999E4	.000
ADD	DEVELOPMENT (X1)	119.700	9	13.300	1.476	.173
	WELL-BEING (X2)	512.748	9	56.972	27.340	.000
Error	DEVELOPMENT (X1)	657.963	73	9.013		
	WELL-BEING (X2)	152.119	73	2.084		
Total	DEVELOPMENT (X1)	740194.000	83			
	WELL-BEING (X2)	549936.000	83			
Corrected Total	DEVELOPMENT (X1)	777.663	82			
	WELL-BEING (X2)	664.867	82			

a. R Squared = .154 (Adjusted R Squared = .050)

b. R Squared = .771 (Adjusted R Squared = .743)

Source: (SPSS Output Version 23 processed, 2022)

Judging from the data above the value of Sig. The Village Development variable is $0.043 < 0.05$. The conclusion is that H_0 is rejected and H_1 is accepted. Likewise with the society welfare variable, the Sig. $0.000 < 0.05$, it can be concluded that H_0 is rejected and H_1 is accepted.

Simultaneous Test Results (Test f)

Table 5 Simultaneous Test Results (F Test)

MANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	388.569	2	194.284	105.131	.000 ^a
	Residual	147.841	177	1.848		
	Total	536.410	179			

a. Predictors: (Constant), WELL-BEING (X2), DEVELOPMENT (X1)
 b. Dependent Variable: ADD (Y)

Source: (SPSS Output Version 23 processed, 2022)

Based on the table above, it can be seen that the F test results show the Sig. $0.000 < 0.05$ so that it has a significant effect on the dependent variable, namely on Village Development and society Welfare at a significant level = 5%.

Coefficient of Determination R2

Table 6 Coefficient of Determination R2

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.851 ^a	.724	.717	1.35942
a. Predictors: (Constant), WELL-BEING (X2), DEVELOPMENT (X1)				

Source: (SPSS Output Version 23 processed, 2022)

Judging from the data above, it can be seen that the adjusted R Square is 0.717 or 71.7%. This figure identifies that the Village Fund Allocation has an effect on Village Development and society Welfare of 71.7%, while the remaining 28.3% is described from other variables not examined by this study.

Discussion**The Effect of Village Fund Allocation on Village Development in Semen District, Kediri Regency**

Based on the test using the manova test in its own way, it was found that the Sig. The village development variable is $0.043 < 0.05$ so that the conclusion rejects H_0 . That is, there is a significant influence between the Village Fund Allocation on village development.

The allocation of village funds can also be used to improve village development. The use of village funds is called village expenditure. The government expects village officials to bear village costs to advance village development. This is expected to help alleviate poverty by using one of the village incomes, namely the village allocation fund (Dewi & Irama, 2018).

Village development is one of the plans that has a dominant impact on people's lives in the village, especially in the environmental, economic and social fields. The village development program is expected to provide support for improving the quality of the environment, improving the economy and social welfare of the people in the village. The impact of the development of the Semen Sub-district village, namely: (1) After the construction of the village road, society access becomes easier to carry out activities such as gardening etc. So that the society is more diligent and active in carrying out activities, (2) The society can open new gardens due to easy access with road construction assistance. There are even people who initially did not work to participate in clearing the land due to the support from the village government to provide superior seeds that are intended for village communities, (3) With the development of villages in Semen District, there are opportunities for rural communities to increase their income, especially for farmers. Village youth who do not work or are unemployed to participate in village development in Semen District, such as moving building materials to participating in the construction of village roads.

The Effect of Village Fund Allocation on society Welfare in Semen District, Kediri Regency

Judging from the results of the MANOVA test together, it is known that the value of Sig. $0.000 < 0.05$ i.e. H_0 is rejected. So the conclusion is that there is a significant influence between the allocation of village funds on the welfare of the society.

The Indonesian government in general continuously strives to promote beneficial economic development for the welfare of society. The welfare of society is something that every individual wants to achieve, although to get it, the individual must work hard. Welfare has many measures, both in terms of goods and non-goods. In general, in order to obtain society welfare, it can be carried out by carrying out the transformation of a better life through development and coupled with the development of strength and equality in the distribution of

general needs for clothing, food, shelter, education level and life development and income level (Harahap, 2021).

Since the existence of village funds in Semen District, infrastructure development in Semen District has increased. This can be seen from the improvement of transportation facilities, the improvement of educational facilities (through the construction of Early childhood education/Kindergarten), the improvement of health facilities (the existence of Posyandu), and society empowerment by BUMG to improve the welfare of the people in Semen District. The development carried out by the Village apparatus greatly helps the society in carrying out daily activities such as building roads, so that people are free to work during the rainy season without potholes and dirt roads that dominate them.

The Effect of Village Fund Allocation on Village Development and Society Welfare

Based on the manova test conducted by testing the covariance variance together, it is known that the significance value of the two variables (village development and society welfare) is $0.001 < 0.05$, therefore H_0 is not accepted. So, looking at these results, the conclusion is that there is an influence in Sig. Between the allocation of village funds and development.

Furthermore, the f test is carried out to determine whether all independent variables in the model have the same effect on the dependent variable. The results of the f test show the number $0.000 < 0.05$, namely H_0 is rejected and H_1 is accepted. That the results of the f test show that the independent variables simultaneously have a significant effect on the dependent variable, development and welfare of rural communities.

The Village Fund is designed to partially fund the village government's plans to carry out village system and empowerment activities and provide subsidies to village government agencies for the development of village infrastructure. To use this power, the village government has a source of income that is used to finance its activities. The main thing to consider when accommodating the development implementation plan of each village is financially secure for financing. One of them is the openness of Village Fund Allocation (Magal et al., 2021).

Managing village financial flows properly can bring about changing environmental conditions that help communities meet their needs more easily. The Semen Sub-District Village Fund will be used for development that is open to outside access, enabling the Semen Sub-district to be connected with other Sub-districts and making it easier for the society to meet their needs. People in Semen Sub-district are now not only able to farm, but also work as motorcycle taxis, traders and open stalls to meet their daily needs. This is because roads and bridges can be felt by the society as a liaison, thus fulfilling their daily needs. Build roads and bridges that open access to the outside world so that they are not isolated and have alternative roads. Village government policies are consulted with village communities to manage village financial budgets, especially village funds used for the construction of physical facilities such as roads and bridges. This is to make access to the area around the Semen District more open. This allows the people of Semen District to easily carry out activities according to their needs.

CONCLUSION

Based on the data received from the results of data analysis that has been carried out by researchers so that conclusions can be drawn: (1) There is an influence of village fund allocation on village development (2) There is an influence of village fund allocation on society welfare (3) There is an influence of village fund allocation on development village and society welfare. The allocation of village funds provides benefits and changes for the Semen

District. Due to the allocation of village funds, there have been many development changes in Semen District. This is reflected in the increasing development from year to year, including the construction of agricultural roads that aim to make it easier for farmers to access roads. This is evidenced by the fact that ADD can bring benefits and changes to the Semen area. So that people today can easily access their daily activities.

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