

Implementation of the Policy on the Management of Village Fund Allocations in Nagori Bosi Sinombah Village Simalungun Regency

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Nagori Bosi Sinombah Village is a village that receives ADD every year but infrastructure development can be said to be inadequate, such as road infrastructure to the village. This research aims so determine the extent of the implementation of the village fund Allocation Policy. This research uses Edward III's theory which explains 4 indicators that determine the success of implementing the village fund allocation policy. This type of research is qualitative research. The informants for this research were village officials and the community, data collection used observation, interviews and documentation. From the results of research conducted by researcher s in Nagori Bosi Sinombah Village regarding the implementation of the village Fund Allocation Management Policy Implemented, it can be said to be quite good. However, there are still inhibiting factors in implamenting village fund allocation management policies, namely that the resources of village government officials and the community are still relatively low, resulting in less than optimal performance from village officials.

Keywords: Policy Implementation, Village Fund Allocation, Simalungun.

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1. Introduction

Common problems encountered in the implementation of village fund allocation policies in Indonesia include the capacity of village governments and community organizations to manage these funds in terms of planning, implementation, and monitoring of activities, as well as a lack of administration knowledge, the exclusion of community members from deliberations on village fund management, a lack of community participation in village activities, and a lack of village facilities, all of which hinder the implementation of the Village Fund Budget (ADD).

Policy implementation is a highly complex process that is often politically charged due to the involvement of various interests. Webster's Dictionary, as cited in Wahab (1997), defines implementation as "to provide the means for carrying out" (to provide the means to carry out something); "to give practical effect to" (to give practical effect to something). Implementation means providing the means to carry out a policy and can have an impact or consequence on a specific matter. (Agustino) states that policy implementation is, in principle, the means by which a policy can achieve its objectives no more and no less.

The village government is the frontline unit in providing services to the community to ensure the success of all programs (Law No. 6 of 2014, Article 1, Paragraph 2); efforts to strengthen villages are a step toward accelerating the realization of community welfare. In carrying out their development duties and providing services to the community, village governments must pay close attention to working partnerships within the village government; that is, in carrying out development duties and providing services to the community, all village government officials including the village head, village officials, and the Village Representative Council (BPD) must fully understand their respective authorities and responsibilities.

The definition of village fund allocation, as stipulated in Government Regulation No. 43 of 2014, Article 1, Point 9, regarding the implementing regulations for Law No. 6 of 2014, explains that village fund allocation is the share received by regencies/cities in the Regional Revenue and Expenditure Budget (APBD) after deducting the Special Allocation Fund (DAK). The Amount of Village Fund Allocation (ADD) is regulated in Article 96, paragraphs 1 and 2, of Government Regulation No. 47 of 2015, amending Government Regulation No. 43 of 2014 as the implementing regulation of the Village Law, which states that regency/city local governments shall allocate funds in the Regional Revenue and Expenditure Budget (APBD) for the Village Fund (ADD) in each fiscal year. The Village Fund Budget referred to in paragraph 1 shall be allocated in an amount of at least 10% (ten percent) of the equalization funds received by the regency or city in the Regional Revenue and Expenditure Budget (APBD), after deducting special allocation funds.

Village financial management, as defined by Ministry of Home Affairs Regulation No. 113 of 2014 on Village Financial Management, encompasses the entire process of activities ranging from planning, implementation, record-keeping, reporting, and accountability, as well as guidance and oversight of village finances. Village finances are managed based on the principles of transparency, accountability, and participation, and are carried out in an orderly manner with budgetary discipline. According to Ministry of Home Affairs Regulation No. 113 of 2014 on Village Financial Management, record-keeping consists solely of ledgers accompanied by supporting transaction documents. In addition, the treasurer may prepare financial statements in the form of a balance sheet. The balance sheet illustrates the village's financial position regarding assets, liabilities, and equity at a given point in time.

To regulate the implementation of this village fund allocation program, the Simalungun Regency government has issued several regent regulations stating that the Village Fund Allocation (ADD)—also known as the Nagori Fund Allocation (ADN) is a balancing fund received by the regency in its Regional Budget (APBD) after deducting the Special Allocation Fund (DAK). This fund is intended to finance the exercise of nagori authorities, which include the administration of the nagori government, the implementation of village development, the fostering of village communities, and the empowerment of village residents.

One such village is Nagori Bosi Sinombah, located in Dolok Silau Subdistrict, Simalungun Regency, North Sumatra Province, Indonesia. The village administration of Nagori Bosi Sinombah consists of two hamlets: Nagori Bosi and Nagori Bosi Sinombah. Other issues hindering the implementation of the village fund allocation policy in Nagori Bosi Sinombah Village include disorganized implementation and accountability for village fund allocation activities, as well as poorly organized village administration. This is due to the still-limited skills and capabilities of the village officials or the Village Head in Nagori Bosi Sinombah Village, which means that village officials lack the knowledge to prepare accountability reports regarding village fund allocations that have been carried out. Additionally, there is a lack of knowledge and interest among the community regarding the policies adopted concerning the implementation of the village fund allocation policy in the village.

Based on the various issues outlined in the background section, the researcher was motivated to conduct a study on "The Implementation of Village Fund Allocation Policy: A Case Study in Nagori Bosi Sinombah Village, Simalungun Regency" in order to understand how the village government implements policies regarding the management of village fund allocations.

2. Literature Review And Problem Statement

Policy Implementation

Metter and Horn (1975) define policy implementation as actions taken by the public or private sector whether by individuals or groups aimed at achieving the objectives set forth in a policy decision. This definition implies an effort to translate the decision into operational activities and to bring about the changes outlined in the policy decision.

Another perspective on policy implementation was put forward by William and Elmore, as cited by Sunggono (1994), and defined as “the totality of activities related to the execution of policy.” Meanwhile, Mazmanian and Sabatier (Wibawa et al., 1986) explain that studying the issue of policy implementation means striving to understand what actually happens when a program is implemented or formulated namely, the events and activities that occur after the state policy is enacted, whether they involve efforts to administer it or efforts to produce specific impacts on society or events. Meanwhile, Wibawa (1992) states that “policy implementation means the execution of a policy or program.”

The above perspective shows that the policy implementation process involves not only the behavior of the administrative agencies responsible for carrying out the program and ensuring compliance among the target group, but also the interplay of political, economic, and social forces that may directly or indirectly influence the behavior of all parties involved, and ultimately leads to logical consequences regarding both the intended effects and the unintended effects (spillover/negative effects).

Policy Implementation Model

Policy is a government instrument not only in the sense of “government” as it pertains solely to the state apparatus, but also in the sense of “governance” as it relates to the management of public resources. At its core, policy consists of decisions or choices of action that directly regulate the management and distribution of natural, financial, and human resources for the public interest that is, for the benefit of society or citizens. A top-down policy implementation model developed by George C. Edward III. Edward III named his public policy implementation model “direct and indirect impacts on implementation.” In this theoretical approach, there are four variables that influence the success of a policy’s implementation, namely: 1. Communication; 2. Resources; 3. Disposition; and 4. Bureaucratic structure.

Definition of a Village

A village is a governmental unit under a regency or city, led by a village head. As such, the village head is directly under the supervision of the regent or mayor. It should be noted that, in accordance with Law No. 32/2004, a subdistrict is not an administrative region that oversees villages, but rather the working area of the subdistrict head as a regency level official or, in other words, an extension of the regency.

Bayu Suryaningrat concluded that the village, as the lowest level of government, has existed since time immemorial and is not an import from outside Indonesia; rather, it is purely Indonesian in nature. Indonesian society has long been familiar with local governance systems, which now form the essence of the principles of governance namely, the right to autonomy, or the right to manage and regulate its own affairs. Article 19 of Law No. 6 of 2014 on Villages outlines the authority of villages, which includes a. Authority based on traditional rights; b. Local authority at the village level; c. Authority delegated by the central government, provincial government, or regency/city government; and d. Other authority delegated by the central government, provincial government, or regency/city government in accordance with the provisions of laws and regulations.

Allocation Of Village Funds

The Village Fund Allocation (ADD) is the portion of village finances derived from a share of local taxes and a portion of the central-local financial equalization funds received by the regency. According to Article 18 of Minister of Home Affairs Regulation No. 37 of 2007 on Guidelines for Village Financial Management, the village fund allocation is derived from the regency/city budget (APBD), which is sourced from the portion of the central and regional financial equalization fund received by the regency/city for villages, amounting to at least 10% (ten percent).

The objectives of village fund allocation include: (a). Reducing inequality, (b). Improving development planning and budgeting at the village level and empowering the community, (c). Enhancing rural infrastructure development, (d). Promoting the practice of religious, social, and cultural values to foster social and cultural advancement, (e). To enhance public peace and order, (f). To improve services to the village community in support of the development of the community's social and economic activities (g). To increase village or village community income through Village-Owned Enterprises (BUMDes).

Village fund allocations in the regency/city regional budget (APBD) are allocated to village governments. Village governments open bank accounts designated by the village head. The village head submits a request for the disbursement of village fund allocations to the regent and the head of the village government division at the regency/city secretariat through the subdistrict head, following verification by the subdistrict assistance team.

3. Method

The method used in this study is a descriptive approach, specifically qualitative research. Qualitative research methods are often referred to as naturalistic research methods because the research is conducted in natural settings; they are also called ethnographic methods, because initially this method was used more frequently in cultural anthropology research; and they are referred to as qualitative methods because the collected data and their analysis are more qualitative in nature (Sugiyono, 2019). The reason for using a qualitative method and a descriptive approach is that the researcher uses words to describe and summarize various conditions and situations in order to understand phenomena related to the subject and object of the study. The location of this study is Nagori Bosi Sinombah Village, Simalungun Regency.

The research subject is someone considered to be the most knowledgeable about what we expect, or perhaps someone in a position of authority who can facilitate the research's exploration of the social object or situation under study (Sugiyono, 2017). The informants in this study are as follows: experts who have a deep understanding of and can explain various matters related to the research, and who are not limited by their place of residence, community leaders, or academics (Sugiyono, 2016). The key informant in this study is the Village Head of Nagori Bosi Sinombah; the primary informants are Tamsar Boy Purba (Treasurer), Hermanto Purba (Village Secretary), Erbin Tumanggor (Government Affairs Officer), Raja Sinto Purba (Development Affairs Officer), Sepriadi Saragih (Kawud 1), Lazarus Purba (Village Head 2). Additional informants included anyone found in the study area who was believed to be able to provide information on the issues being studied (Sugiyono, 2016). The additional informants in this study were community leaders from Nagori Bosi Sinombah Village, namely Mr. Amandus Sipayung, Parulian Girsang, Hotman Saragih, and Jaminsen Saragih.

The researcher employed several methods of data collection, including observation as one of the techniques used. Observation can be defined as the systematic observation and recording of visible elements within a phenomenon in the research subject. These visible elements are referred to as data or information, which are observed and recorded accurately and completely. This technique is used to directly observe the

conditions at the research site so that the researcher can gain a broader understanding of the issue under study. Thus, the purpose of this observation is to conduct an in-depth examination and gather data regarding the implementation of village fund allocation management policies in Nagori Bosi Sinombah Village. An interview is a process of asking and answering questions or engaging in an oral dialogue between the interviewer and the respondent in other words, the person being interviewed—with the intent and purpose of obtaining the information needed by the researcher. During the interview, the interviewer poses clear and detailed questions to address all raised issues and records all necessary information completely and accurately.

The interview method was directed at research informants previously identified by the researcher namely, those who were knowledgeable about and directly involved in the implementation of the village fund allocation policy in Nagori Bosi Sinombah Village, Simalungun Regency. Before conducting face-to-face interviews with the informants, the author first developed an interview guide. Documentation is the process of collecting, processing, and storing data and information by analyzing the content of documents related to the research problem so that they can be used as a basis for understanding an event, the production of a publication, and the regulations governing a community institution. Documentation was used to obtain data, photographs, and records available at the village head's office. Triangulation can be defined as a method of testing reliability that involves verifying data using different sources at different times.

According to Sugiyono (2016), data analysis in qualitative research is conducted before entering the field, during fieldwork, and after fieldwork is completed. According to Sugiyono (2016), analysis begins with formulating and explaining the problem before fieldwork commences and continues through the writing of the research findings. In qualitative research, data analysis is more focused during the fieldwork process, concurrent with data collection. In this study, the data analysis method used is the Miles and Huberman Model: Data Reduction. The data reduction stage is part of the analysis process; thus, the researcher's choices regarding which parts of the data to code, which to discard, which patterns summarize those parts, and which narratives emerge constitute analytical choices. Data display: The activities of presenting data and the process of data presentation are activities directly related to the interactive data analysis process.

Therefore, both of these processes continue throughout the research process and do not end until the final research report is compiled; therefore, do not rush to stop this data display activity before you are certain that everything that should be researched has been presented or displayed, and that conclusion drawing and verification have been completed. Conclusion drawing may take place while data collection is still ongoing, followed by data reduction and presentation. However, it is important to realize that the conclusions drawn are not final. This is because, after the conclusion-drawing process, the researcher may verify these findings again in the field. Thus, the conclusions drawn can serve as a catalyst for the researcher to further deepen the observation and interview processes.

4. Results And Discussion

Implementation of the Village Fund Allocation Management Policy in Nagori Bosi Sinombah

According to G. Edward III's theory, there are four perspectives on the implementation of village fund allocation management policies: communication, resources, disposition, and bureaucratic structure.

1. Communication

Communication is the process of exchanging messages through a mediator. The influence of communication factors on implementation lies in the clarity and content of the message, which must be fully understood by the recipient of the message or program. In examining these communication factors, the author will analyze various phenomena observed in the field related to the implementation

process of the village fund allocation policy. There are three (3) indicator variables of communication in policy implementation proposed by Edward III, namely message transmission, clarity of communication, and message consistency. Based on the findings regarding communication phenomena identified by the researcher in the study of the implementation of the village fund allocation management policy in Nagori Bosi Sinombah Village, Simalungun Regency from a communication perspective, it can be concluded that the intensity of public outreach regarding the ADD policy has been quite effective, as the village government has conducted outreach activities for the community. Regarding the clarity of information, the research findings revealed that the provisions in the ADD technical guidelines have been clearly understood by the implementers. Likewise, there is consistency in the messages, meaning there are no conflicting policy messages between the village government and the village community.

2. Resources

In the implementation of policies regarding the use of village fund allocations, resources are a key factor in the success of any planned program. Therefore, reliable resources are needed to manage the use of these funds, not only human resources but also other resources such as financial, physical, material, machinery, and other technological capabilities. Based on the results of observations and interviews conducted by the researcher with several informants, the following picture emerges regarding the resources available in Nagori Bosi Sinombah Village: first, the level of human resources among the village officials is still relatively low, as the majority of them are only high school graduates. This relatively low level of education can hinder the implementation of village fund allocation management policies, as these officials will inevitably face difficulties in identifying and resolving problems quickly. Second, regarding the supporting facilities for the village fund allocation policy: in the process of implementing the village fund allocation management policy in Nagori Bosi Sinombah Village, Simalungun Regency, various supporting facilities for the village fund allocation policy are already in place, such as the availability of the village head's office building, the provision of official motorcycles, and the availability of equipment such as office supplies that sufficiently support the implementation of the village fund allocation.

3. Disposition

An overview of the dispositions or attitudes of those responsible for implementing the village fund allocation in Nagori Bosi Sinombah Village, based on interviews with various sources. The research findings revealed that the implementers have a positive attitude toward the ADD policy and strongly support it, hoping that ADD funds will continue to be disbursed and even increased. However, the findings also revealed that not all implementers have a positive response to the ADD policy, as they view ADD funds as merely an annual routine. Nevertheless, the study also concluded that the implementers have taken concrete actions and steps, such as drafting the Village Government Activity Plan (RKPDs) and preparing Accountability Reports (LPJ) to support village government operations, as well as carrying out community empowerment activities, including the construction of village halls, roads, kindergartens, and so on.

4. Bureaucratic Structure

A bureaucratic structure is the organizational framework within the scope of policy implementation. The tendency toward a hierarchical design can create direct relationships between superiors and subordinates. One particularly important aspect of organizational structure is the existence of standard operating procedures (SOPs). SOPs serve as guidelines for every implementer in carrying out policy programs; organizational structures with a long span of control tend to weaken oversight and give rise to red tape that is, complicated and complex bureaucratic procedures—which in turn result in inflexible organizational activities. The implementation of village fund allocation certainly

requires a sound organizational structure to achieve the established objectives. Therefore, the researcher conducted interviews with several informants to gather information and data regarding the organizational structure involved in the implementation of the village fund allocation policy in Nagori Bosi Sinombah Village. Based on the findings from the field research, the researcher determined that the bureaucratic structure functions fairly well in managing the ADD, and village officials understand their respective duties and functions in implementing the village fund allocation. Furthermore, there is a clear division of labor in the implementation of the village fund allocation in Nagori Bosi Sinombah Village; each role operates in accordance with its designated function and is structured in line with the established government framework.

Factors Hindering the Implementation of Village Fund Allocations in Nagori Bosi Sinombah Village, Simalungun Regency

Barriers to implementation are any conditions, circumstances, or factors that hinder, slow down, reduce the effectiveness of, or cause deviations in the implementation of a policy, program, innovation, or plan from its established objectives. In the field of implementation studies, barriers are understood as factors that hinder the integration of an intervention into a specific environment or practice. The factors hindering the implementation of village fund allocation management in Nagori Bosi Sinombah Village are as follows

1. Human resources that are still limited.

Human resources refer to the people living in the village, such as the community and village officials. The quality of the community and village officials greatly influences village development. The limited resources available to the village government apparatus in Nagori Bosi Sinombah, Simalungun Regency, significantly impact policies regarding the management and allocation of village funds whether in terms of planning, implementation, or, most critically, accountability reporting as they are unable to perform their duties promptly and on time.

2. Bureaucratic Structure

According to George C. Edward III, even if the resources needed to carry out an activity or implement a policy are available, or if implementers know what needs to be done and are willing to implement a policy, it is possible that the policy will not be implemented due to weaknesses in the bureaucratic structure. The first aspect is the mechanism: in policy implementation, Standard Operating Procedures (SOPs) are typically established. SOPs serve as guidelines for every implementer to ensure that their actions in carrying out the policy do not deviate from the policy's objectives and targets. At the level of the bureaucratic structure, a framework has indeed been established, along with a division of tasks among each department; however, within the organizational structure of Nagori Bosi Sinombah Village, there is a need for enhanced oversight in the implementation of village fund allocation so that the policy regarding the allocation of village funds can be carried out effectively and efficiently.

Within the existing organizational structure of Nagori Bosi Sinombah Village, there is still a lack of oversight regarding the implementation of village fund allocations, both on the part of the subdistrict administration and the village officials. This was evident during road construction. The village officials did not supervise the contractors carrying out the construction, which resulted in the project not proceeding effectively.

After observing what is happening on the ground and the realities of the implementation of village fund allocation in Nagori Bosi Sinombah, it is evident that the factor hindering the implementation of the village fund allocation policy lies in the relatively low level of human resources among the implementers. Therefore, there is a need to enhance these human resources to improve the performance of village officials and quickly address existing problems. Another factor hindering policy

implementation is the lack of oversight within the bureaucratic structure, which often causes delays in the execution of village fund allocation activities.

5. Conclusion

The implementation of the village fund allocation management policy in Nagori Bosi Sinombah Village has proceeded quite well. This can be demonstrated by examining several key factors determining the success of policy implementation, based on Edward III's policy implementation model: communication, human resources, disposition (the attitude of implementers), and bureaucratic structure. These factors are evident in both the policies that have been adopted and those that have been successfully implemented, whether in the planning, execution, or accountability phases regarding the management of village fund allocations. The factors hindering the implementation of the village fund policy in Nagori Bosi Sinombah Village are resource-related, specifically the relatively low level of human resources both among village government officials and the surrounding community, which can result in suboptimal performance by village officials and a complete lack of available village resources. Additionally, there is a lack of oversight by the bureaucratic structure regarding the implementation of village fund allocations.

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