

# Factors Influencing the Effectiveness of Village Fund Allocation (ADD) Management in Tanjung Raja Village, Tanjung Raja Sub-district, North Lampung District

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## Abstract

This research aims to determine the influence of the effectiveness of village fund allocation management in Tanjung Raja Village, Tanjung Raja Sub-district, focusing on planning, implementation, accountability, and accountability of the village fund allocation. This quantitative research utilized primary data sources and a non-probability sampling method. Data were collected through questionnaires and interviews with village government officials involved in fund management. Data analysis employed effectiveness techniques and ratio criteria. The results indicate that the effectiveness of village fund allocation management falls within the effective category.

**Keywords:** Village fund allocation, Effectiveness, Management

## 1. Introduction

The effectiveness and efficiency of disbursing the Village Fund Allocation (ADD) from the District/City Government to the Village Government, as well as how the utilization of these funds is crucial, as both are parameters. Simply put, for the success of decentralization (Sulastris, 2016), villages, despite their significance, often have certain limitations, particularly in their governmental organization. These limitations can impact the Management of Village Fund Allocation. Regarding these limitations, Wasistiono and Tahir, as stated by Sulastris in 2016, identify weaknesses commonly held by village governments, such as:

1. The generally low quality of human resources in village administration.
2. The incompleteness of policies regulating village government organization.
3. Limited planning capabilities at the village level, often resulting in a lack of synchronization between policy implementation outputs and the needs of the community, which serve as inputs for policies.

4. Limited supporting facilities and infrastructure for government administrative operations, disrupting the efficiency and effectiveness of job execution.

The limitations in human resource capacity also have the potential to decrease the motivation of implementing officials, ultimately hindering the achievement of goals, tasks, and duties. This is evident in the government of Tanjung Raja sub-district, North Lampung Regency, facing challenges due to limited human resource capacity in managing the Village Fund Allocation. As outlined in Regent Regulation (PERBUP) number 2 of 2022, specifying details of the deficient disbursement of the Village Fund Allocation throughout North Lampung Regency. One of the affected areas is Tanjung Raja village in Tanjung Raja sub-district, North Lampung. Despite the Village Fund Allocation in the Tanjung Raja sub-district of North Lampung, there is a lack of significant physical development.

According to Regent Regulation (PERBUP) number 2 of 2022, the Less Disbursement of Village Fund Allocation (Kurang Salur ADD) is the difference between at least 10% of the balance funds allocated to the village from the regional balancing funds received by the region in the Regional Budget after deducting the Special Allocation Fund in 2021 and subtracting the realization of the disbursement of ADD in 2021.

The management of the village fund allocation has not reached its maximum potential in line with the intended purpose. The objective of the village fund allocation is to finance village government programs in implementing government activities and community empowerment, aiming to enhance income distribution, job opportunities, and entrepreneurial opportunities for rural communities. This challenge arises due to inadequate road access for the community and insufficient facilities, hindering the overall development of the community.

Given that a significant portion of the Village Fund Allocation is intended for the community, it is crucial that every step, from planning to implementation and reporting, adheres to established procedures. This is expected to lead to the effective utilization of the ADD, contributing to the advancement of the community. The phenomenon observed regarding the Village Fund Allocation (ADD) in the Tanjung Raja sub-district, based on interviews with several village residents, highlights issues related to the implementation of village fund allocation. One significant problem is the discrepancy between the budget plan (RAB) and the actual outcomes due to deviations from the planned timeline. This leads to the ineffective execution of village programs, creating difficulties for village officials in generating accountability reports.

This challenge is exacerbated by a lack of socialization from the local government regarding the procedures for creating accountability reports for village fund allocations. The limited understanding of the process impacts the village officials' ability to submit accurate and timely reports. Notably, the lack of proper reporting, especially through Statements of Expenditures (SPj), affects the accountability of village officials, as SPj plays a crucial role in monitoring and verifying the compliance of implemented programs with regulations.

This situation raises concerns about its potential impact on the effectiveness of village fund allocation. Recognizing these challenges, the researcher is intrigued to explore the factors influencing the effectiveness of Village Fund Management in the Tanjung Raja sub-district, titled "Factors Affecting the Effectiveness of Village Fund Management (ADD) in Tanjung Raja Village, Tanjung Raja Sub-district, North Lampung Regency."

## II. METHOD

This study employs a quantitative approach with primary data sources. Primary data, collected directly by the researcher from the original source, is utilized to address the research questions through interviews and questionnaires involving respondents.

The target population for this research comprises village officials involved in the allocation of village funds for rural development. There are 19 villages in the Tanjung Raja sub-district as the population. The sampling technique employed is non-probability sampling, specifically Quota sampling, a method that selects samples based on specific characteristics until a desired quota is achieved. One village, Tanjung Raja, is chosen as the research sample, and it consists of 11 hamlets.

The selection criteria for the sample in this study include individuals directly involved in the technical aspects of managing the Village Fund Allocation. This involves the Village Head, Secretary, Treasurer, and Head of Development in Tanjung Raja village, Tanjung Raja sub-district, North Lampung Regency.

Analysis Instrument Requirement Test  
Validity Test

According to Sanusi Anwar (2017), a research instrument is a tool for collecting data, and an instrument is considered valid if it measures what it is supposed to measure. The validity test in this research uses product-moment correlation with the assistance of the SPSS (Statistical Program and Service Solution) 21 program. Measurement is done by correlating the scores of each statement with the total scores of both independent and dependent variables.

- If the calculated  $r > \text{table } r$ , the statement item is considered valid.
- If the calculated  $r < \text{table } r$ , the statement item is considered not valid.

### Reliability Test

According to Sugiyono (2017), reliability indicates that the instrument used in research to obtain information is trustworthy as a data collection tool and capable of revealing genuine information in the field. The reliability test is conducted on the statements in the questionnaire that have been declared valid. This test uses data processing with the assistance of the SPSS 21 program. Subsequently, the alpha value of the correlation index is interpreted.

### Hypothesis Testing

#### Partial Test (t-test)

The partial test (t-test) aims to demonstrate the influence of one independent variable individually in explaining the dependent variable (Ghozali, 2016). The significance level is set at  $\alpha = 0.05$  (5%). Conditions to prove the hypothesis:

- a. If  $\text{sig } t > \alpha$  (5%), then  $H_0$  is rejected, meaning the independent variable partially does not significantly affect the dependent variable.
- b. If  $\text{sig } t < \alpha$  (5%), then  $H_0$  is accepted, meaning the independent variable partially has a significant effect on the dependent variable.

#### Simultaneous Test (F-test)

The F-statistic test indicates that all tested independent variables collectively have an influence on the dependent variable (Ghozali, 2016). The F-statistic test, also known as ANOVA, aims to test two samples with either equal or unequal population variances (Santoso, 2012). Decision-making criteria for the F-test are as follows:

- a. If the F value is greater than 4, then  $H_0$  is rejected at a confidence level of 5%, meaning we accept the alternative hypothesis, stating that all independent variables collectively and significantly affect the dependent variable.
- b. Compare the calculated F value with the F value according to the table. If the value is greater than the table value, then  $H_0$  is rejected, and  $H_a$  is accepted.

#### Coefficient of Determination Test ( $R^2$ )

The coefficient of determination ( $R^2$ ) is a test conducted on independent variables (X) against the dependent variable (Y). This test aims to measure the extent to which the values of the independent variables, namely  $X_1$  and  $X_2$ , explain the dependent variable, namely Y. The decision criteria for the measured values range between 0 and 1. A higher coefficient of determination ( $R^2$ ) indicates a higher ability of independent variables to influence the dependent variable (Mulyono, 2012).

### III Results and Discussion

#### A. Validity Test Results

##### t-test

The partial test (t-test) is used to examine whether each independent variable, namely Planning (X1), Implementation (X2), Accountability (X3), and Accountability (X4), has a positive and significant influence on the dependent variable, namely the Effectiveness of Village Funds (Y), individually.

##### 1. Influence of Planning (X1) on the Effectiveness of Village Funds (Y) in Tanjung Raja village.

Ho: Planning (X1) has no significant effect on Effectiveness (Y) in the Village Fund Allocation in Tanjung Raja village.

Ha: Planning (X1) has a significant effect on Effectiveness (Y) in the Village Fund Allocation in Tanjung Raja village.

Test criteria:

- If the calculated t value  $>$  t table, then Ho is rejected.
- If the sig value  $<$  0.05, then Ho is rejected.

##### 2. Influence of Implementation (X2) on the Effectiveness of Village Funds (Y) in Tanjung Raja village.

Ho: Implementation (X2) has no significant effect on Effectiveness (Y) in the Village Fund Allocation in Tanjung Raja village.

Ha: Implementation (X2) has a significant effect on Effectiveness (Y) in the Village Fund Allocation in Tanjung Raja village.

Test criteria:

- If the calculated t value  $>$  t table, then Ho is rejected.
- If the sig value  $<$  0.05, then Ho is rejected.

##### 3. Influence of Accountability (X3) on the Effectiveness of Village Funds (Y) in Tanjung Raja village.

Ho: Accountability (X3) has no significant effect on Effectiveness (Y) in the Village Fund Allocation in Tanjung Raja village.

Ha: Accountability (X3) has a significant effect on Effectiveness (Y) in the Village Fund Allocation in Tanjung Raja village.

Test criteria:

- If the calculated t value  $>$  t table, then Ho is rejected.
- If the sig value  $<$  0.05, then Ho is rejected.

##### 4. Influence of Accountability (X4) on the Effectiveness of Village Funds (Y) in Tanjung Raja village.

Ho: Accountability (X4) has no significant effect on Effectiveness (Y) in the Village Fund Allocation in Tanjung Raja village.

Ha: Accountability (X4) has a significant effect on Effectiveness (Y) in the Village Fund Allocation in Tanjung Raja village.

Test criteria:

- If the calculated t value  $>$  t table, then Ho is rejected.
- If the sig value  $<$  0.05, then Ho is rejected.

##### F-test.

The F-test is a simultaneous (overall, joint) test. This simultaneous test aims to examine whether Planning (X1), Implementation (X2), Accountability (X3), and Accountability (X4) together have a significant influence on the dependent variable, namely the Effectiveness of Village Funds (Y).

Ho: Planning (X1), Implementation (X2), Accountability (X3), and Accountability (X4) have no significant influence on the Effectiveness of Village Funds (Y).

Ha: Planning (X1), Implementation (X2), Accountability (X3), and Accountability (X4) collectively influence the Effectiveness of Village Funds (Y).

Decision criteria: If the Sig value  $<$  0.05, then Ho is rejected, and Ha is accepted.

### IV CONCLUSION

Based on the results of this study, it can be concluded that planning, implementation, accountability, and accountability have an impact on the effectiveness of village fund allocation in Tanjung Raja Village, North Lampung. Specifically, planning, implementation, accountability, and accountability each have a positive and significant effect on the effectiveness of village funds.

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