

Village Fund and Improvement of Village Status and Community Welfare

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Abstract

Law Number 6 of 2014 concerning Villages mandates the allocation of Village Funds sourced from the APBN, to accelerate village development. This study aims to determine and analyze the changing conditions between before and after the Village Fund management policy, namely in 2014 (before the Village Fund) and 2018 (after the Village Fund) in Jambi Province. These changes are related to Village Status, as well as Community Welfare. The method used is a quantitative approach with comparative analysis, through the statistical average difference test, namely Wilcoxon and Man Whitney. The unit of analysis is 1,388 villages spread over 10 regencies/cities in Jambi Province. The main data sources are the results of the Village Potential data collection (Podes) and the National Socio-Economic Survey (Susenas) from the Central Statistics Agency (BPS). Through the average difference test, the following results were obtained: (1) there has been a positive change or increase in Village Status from an underdeveloped village to a developing village, and there has been a positive change or an increase in village status from a developing village to an independent village, and (2) There has been an increase in Community Welfare between 2014 and 2018. Seeing these findings, it is highly recommended that the Village Fund management policy, which has been started since 2015 until now, is continued with more refined implementation. To further maximize output, through the implementation of the Village Fund management policy in the future, the researcher suggests adding other supporting factors, namely: increasing the education of HR managers, increasing Assistance in implementation, and increasing continuous supervision.

Keywords: Village Fund, Village Status, Community Welfare.

INTRODUCTION

The goal of national development is to improve the welfare of the people, through the distribution of development results to the people of Indonesia. Equitable development between regions in Indonesia is still a priority and focus of the government. The economy is

still concentrated in urban areas, of course, it will lead to inequality in the welfare of urban and rural communities. One of the efforts to overcome development disparities between regions, since 2014 the allocation of Village Funds has been set, to increase the development of rural communities.

In accordance with the 2005-2025 RPJP and the President's Vision and Mission, the target set is to reduce the poverty rate to 7.0 – 8.0 percent in 2019. Meanwhile, the target to be achieved by the government through the National Village Fund (Kemenkeu RI, 2017) , including reducing the number of underdeveloped villages from 26 percent in 2011 to 20 percent in 2019, as well as reducing the number of underdeveloped villages to 5,000 villages, or increasing the number of independent villages of at least 2,000 villages. With this target, the allocation of Village Funds becomes very important, especially for villages that are still lagging behind. It is also expected to have a significant impact on the community, both on village development and the welfare of rural communities.

The policy on the use of Village Funds refers to Law Number 6 of 2014 concerning Villages, where the purpose of implementing this Village Fund policy is to realize the welfare of the community in the Village, by distributing state finances to villages in the field of development and in particular to finance government administration, implementation development, community development, and community empowerment. The priorities include; (1) national economic recovery in accordance with village authority; (2) national priority programs according to village authority; and (3) mitigation and handling of natural and non-natural disasters according to village authority.

Village Funds (DD) are funds sourced from the APBN intended for Villages and transferred through Regency/City APBD every year, to finance the implementation of Village authority based on origin rights, and village-scale local authorities. The Village Fund is a mandate of Law no. 6 of 2014 concerning Villages, allocated in the form of transfers, not in the form of projects. As long as the Village Law is in effect, the DD will continue to be allocated by the government. The allocation of the amount of the Village Fund is calculated using two aspects, namely equity and justice. The aspect of equity is reflected in the basic allocation where each village gets the same value. Meanwhile, justice is reflected in the

formula that is determined based on several components in the village.

Evaluation of the success of the implementation of Village Fund management is very important. The evaluation is carried out in stages, from the central to the regional levels. At the central level, evaluations are officially carried out by the Ministry of Finance, together with the Ministry of Home Affairs and the Ministry of Villages and PDTT.

According to William N. Dunn: "Evaluation has related meanings, each pointing to the application of several value scales to policy and program outcomes. In general, the term evaluation can be equated with appraisal, rating and assessment, words that express efforts to analyze policy results in the sense of other units. In a more specific sense, evaluation is concerned with the production of information about the value or benefits of policy outcomes" [1].

Meanwhile, according to Lester and Steward in the book states that "Policy evaluation can be said to be an activity involving estimation or policy assessment which includes substance, implementation (implementation) and impact" [2]. Next, according to Anderson "The appraisal of assessment of policy including its content implementation and impact" [3]. Meanwhile, according to Jones Evaluation: "An activity designed to judges the merits of government programs which varies significancy in the specification of objects, the techniques measurement and methods of analysis" [4].

Associated with policy implementation, according to Edwards III ioffers and considers four factors in implementing public policy, namely: "Communication, resources, dispositions or attitudes, and bureaucratic structure" [5]. The point is that in the process of implementing public policy in order to achieve the goals set by the organization, Edwards III offers 4 important factors that must be considered, namely: (1) Communication; (2) Resources; (3) Implementing attitudes (4) Bureaucratic Structure.

Several previous studies, related to the evaluation of the management of the Village Fund, Development, and Community Welfare have been carried out. Ministry of Finance (2017), in the Village Fund Pocket Book, with the theme “Village Funds for Community Welfare: Creating Jobs, Overcoming Inequality, and Alleviating Poverty”. In conclusion, the impact of the Village Fund on reducing inequality and poverty in rural communities. The Village Fund has succeeded in improving the quality of life of rural communities, which is shown, among others, by decreasing the ratio of rural inequality from 0.34 in 2014 to 0.32 in 2017. The decline in the number of rural poor people from 17.7 million in 2014 to 17.1 million in 2017 and, there was a decrease in the percentage of the rural poor from 14.09 percent in 2015 to 13.93 percent in 2017. According to the findings research in “Comparative Analysis of Village Development Conditions Before and After The Village Fund Allocation Program, concluded, there were significant differences in village conditions before and after village funds were given. These aspects include the development of basic infrastructure, social, economic, and environmental services [6].

Preliminary research by researchers in Jambi Province shows that there are still some socio-economic indicators that have not developed encouragingly. For example: economic growth has decreased (from 7.76 percent in 2014, to an average of 3.63 percent during the 2015-2020 period), the number of poor people has increased (from 281,800 people in 2014, to an average of 285,146 people during the 2015 period). -2020), the Gini ratio increased (from 0.329 in 2014, to an average of 0.337 during the 2015-2020 period), and the Open Unemployment Rate (TPT) increased (from 5.08 percent in 2014, to an average of 5.82 percent during the 2015-2020 period).

From the various research findings, studies and previous analyzes mentioned above, including the results of preliminary research, it can be concluded that research activities in the form of evaluating the success of Village Fund management policies are very important things to do, especially in Jambi Province.

From the research, it is expected to provide an overview related to how the impact of the allocation of Village Funds on changes in village status and the welfare of local communities in Jambi Province. This research was conducted by comparing various aspects of village development (especially village status) as well as aspects of village community welfare at the moment or condition before and after the Village Fund was given.

The purpose of this study was to determine and analyze: (1) Changes in the condition of village status between before and after the Village Fund management policy in Jambi Province; and (2) Changes in community welfare conditions between before and after the Village Fund management policy in Jambi Province.

Methods

Regarding village status, this study uses criteria or categorization from BPS. According to BPS, the classification of villages can be seen according to their village status, namely: (1) Disadvantaged Villages; (2) Developing Villages; (3) Independent Village. According to BPS criteria (2014), village status is developed or built from the Village Development Index (IPD), which consists of: 5 dimensions, 12 variables and 42 indicators. Based on Podes data, the Village Development Index (IPD) is calculated, and then the status of the village is determined, namely: Disadvantaged Village, Developing Village, and Independent Village.

Meanwhile, related to community welfare, there are several definitions and indicators of community welfare. According to the Big Indonesian Dictionary (2011), prosperous is peaceful, safe and peaceful (apart from all kinds of disturbances), happy, prosperous. Prosperous synonyms are: safe, peaceful, prosperous, happy, peaceful, serene. So that welfare/well-being is a matter or condition of being prosperous; security, safety, tranquility; - mental health; - social welfare state of society.

The development of social/community welfare should be focused on three areas, namely: social/community services, social/community

protection, and community empowerment [7]. In connection with this, according to Parsons, Jorgesen and Hernandez in Suharto, there are several roles needed for the development of social welfare/community, including: (1) the role of a facilitator, (2) the role of a mediator, (3) the role of a mediator. as defender, and (4) role as protector [7].

There are three important roles of government in relation to the creation or improvement of public welfare, namely the role of public services, the role of development/empowerment, and the role of protection [8]. In accordance with the duties and authorities of the village government, the village government can carry out various roles to realize or improve the welfare of the village community.

To determine the development of the level of community welfare, an indicator is needed to measure the level of community welfare. According to experts, there are several indicators of improving the welfare of people's lives, including (1) a quantitative increase in income; (2) qualitatively better family health; and (3) the existence of family economic investment in the form of savings [9].

According to the Central Statistics Agency (2005), there are 8 (eight) indicators used to determine the level of welfare, namely: income, family consumption or expenditure, living conditions, housing facilities, health of family members, ease of obtaining health services, ease of obtaining education to other countries. various levels, and the ease of obtaining public facilities. The simplest and classic model is welfare measured through economic indicators. Community welfare is perceived as the level of economic growth (GDP) and per capita income growth. This economic indicator is measured objectively with a money-based approach (monetary-based indicators).

This research is quantitative research. This study uses secondary data, with a village research unit. The population is 1,399 villages, spread over 10 regencies/cities in Jambi Province. The research locations cover 10 districts/cities in Jambi Province except Jambi

City, namely: (1) Kerinci; (2) Merangin; (3) Sarolangun; (4) Batang Hari; (5) Muaro Jambi; (6) East Tanjung Jabung; (7) Tanjung Jabung Barat; (8) Tebo; (9) Bungo and (10) Full River City. However, for a comparative analysis, the population is all villages that have not experienced any changes or regional expansion during the period 2014 - 2018, in this case the total village population is 1,388 villages throughout Jambi Province. The sample used in the research (processing) is all 1.388 villages.

The main data used comes from the Village Potential data collection (PODES) in 2014 and 2018. In addition to Podes data, other data sources are data from the results of the National Socio-Economic Survey (Susenas). Both Podes data and Susenas data were all obtained from the Central Statistics Agency (BPS), as the organizer of the data collection activities.

This study uses a quantitative approach, with a comparative technique. The statistical technique used in the comparative analysis used a paired mean difference test, namely the Wilcoxon test and the Mann Whitney test.

Results and Discussion

The results of this study indicate that the main source of income for the majority of the population in Jambi Province is the agricultural sector, especially in the plantation sub-sector, namely oil palm and rubber plantations. The results of the 2014 Podes data collection, showed as many as 1,357 villages (97.70 percent) the main income of the majority of the population in the agricultural sector. While the results of the 2018 Podes data collection, as many as 1,353 villages (96.71 percent) the main income of some residents in the agricultural sector.

From the results of data processing from Podes 2014 and Podes 2018 data collection, when viewed from the statistical value of the Village Development Index (IPD), there has been an increase in all districts/cities from 2014 to 2018. The highest average IPD value in 2014 was in the District Muaro Jambi is 63.90 with a standard deviation of 7.61. This value is even

higher than the average IPD value of Jambi Province (59.17). While the lowest average IPD value in 2014 was in Tanjung Jabung Barat Regency, which was 54.53 with a standard deviation of 9.67.

The highest IPD average value in 2018 was in Sungai Penuh City, which was 68.59 with a standard deviation of 5.37. This value is even higher than the average IPD value of Jambi Province (63.32). While the lowest average IPD value in 2018 was in Tanjung Jabung Timur Regency, which was 59.53 with a standard deviation of 6.91.

Development of Village Status in 2014 and 2018

From the results of the calculation of the Village Development Index (IPD), it can be determined the status or category of villages. It

is categorized as Underdeveloped Village if the IPD value is between 0 to 50, is categorized as Developing Village if the IPD value is between 51 to 75, while it is categorized as Independent Village if the IPD value is between 76 to 100.

From the results of processing (Podes 2014 and Podes 2018 data), there has been an increase in the number of Independent Villages from 30 villages in 2014, to 102 villages in 2018 (after the Village Fund policy). Likewise for Developing Villages, there has been an increase in the number of Developing Villages from 1,168 villages in 2014, to 1,228 villages in 2018 (after the Village Fund policy). As for Disadvantaged Villages, there has been a decrease in the number of Disadvantaged Villages from 191 villages in 2014, to 69 villages in 2018 (after the Village Fund policy).

Table 1. *Number of Villages by Village and Regency/City Status, 2014 and 2018*

Regency/City	Villages Left Behind		Thriving Village		Independent Village		Number of Villages	
	2014	2018	2014	2018	2014	2018	2014	2018
Kerinci	21	7	262	261	2	17	285	285
Merangin	46	26	155	163	4	16	205	205
Sarolangun	35	15	113	126	1	8	149	149
Day Bars	7	3	92	106	1	1	100	110
Muaro Jambi	6	0	136	132	8	18	150	150
Tanjung Jabung Timur	5	4	68	69	0	0	73	73
Tanjung Jabung Barat	36	9	77	99	1	6	114	114
Tebo	17	3	82	90	8	14	107	107
Bungo	17	2	120	127	4	12	141	141
Kota Sungai Penuh	1	0	63	55	1	10	65	65
Jambi Province	191	69	1. 168	1. 228	30	102	1. 389	1. 399

Source: BPS, Podes 2014 and 2018. Note: there have been an additional 10 villages in 2011

Development of Community Welfare Level in 2014 to 2020

From the results of data collection other than those sourced from Podes data collection, it was found developments in several socio-economic indicators during before the Village Fund was rolled out and after the Village Fund was rolled out. Some of these macro indicators are expected to represent or approach/proxy related to measuring the level of community welfare in Jambi Province.

The number of poor people when compared to 2014 with 2018, it appears that there is a

decline. Meanwhile, when compared to the average number of poor people in 2015-2020, it actually increased. In terms of the percentage of the poor, the phenomenon is slightly different, the percentage of the poor continues to decline, both compared to the percentage of the poor in 2018, and when compared to the average percentage of the poor during the 2015-2020 period. Other poverty measures that need to be considered are the size of the depth level (P1) and the size of the severity level (P2).

Table 2. *Village Funds, Poverty Rates and Other Indicators in Jambi Province, Years 2014 – 2020*

Description	Before the Village Fund	After the Village Fund Policy						
	2014	2015	2016	2017	2018	2019	2020	Average 2015-2020
Village Fund (million Rp)	-	381.5	856.7	1,090.9	1,041,1	1,184,5	1,221,8	962,75
Number of Poor People	281. 800	300. 710	289. 803	286. 552	281. 693	274,320	277.800	285.146
Percentage of Poor People (P ₀)	8,39	8,86	8,41	8,19	7,92	7,60	7,58	8,09
Poverty Depth Index (P ₁)	1,12	1,42	1,47	1,28	1,30	1,23	1,10	1,30
Poverty Severity Index (P ₂)	0,23	0,35	0,37	0,29	0,32	0,30	0,25	0,31
Gini Ratio	0.329	0,361	0,349	0,335	0,334	0,320	0,320	0,337
Economic Growth	7,76	4,21	4,37	4,60	4,69	4,37	-0,46	3,63
Open Unemployment Rate (TPT)	5,08	4,34	4,00	3,87	3,86	4,19	5,13	4,23
Human Development Index (HDI)	68,24	68,69	69,62	69,99	70,65	71,26	71,29	70,24
Village Development Index (IPD)	59,17	-	-	-	63,32	-	-	-

Source: BPS, processed

From the descriptive description of the comparison between the Village Fund and the poverty rate as well as other indicators in Jambi Province during the period 2014 to 2020, in general it can be concluded that the existence of the Village Fund is very influential or has an impact on reducing the number and percentage of poor people in Jambi Province, decreasing the Depth Index Poverty (P₁), a decrease in the Gini ratio, a decrease in the Open Unemployment Rate (TPT), an increase in the Human Development Index (IPM), and an increase in the Village Development Index (IPD).

Village Status Change

After processing the Village Development Index (IPD) data, descriptive statistics were obtained consisting of the maximum value, minimum value, average, standard deviation and median. The description shows that the average Village Development Index (IPD) in 2014 was 59.17. Meanwhile in 2018, the average Village Development Index (IPD) reached 63.34. The results of this descriptive

analysis illustrate that the average Village Development Index (IPD) in 2018 is higher than in 2014.

After processing the Normality Test from the Village Development Index (IPD) data, statistical information was obtained from the Kolmogorov Smirnov Test results. Based on the results of the Normality Test output using the Kolmogorov Smirnov (KS) test, the significance value for the KS normality test is 0.02 for IPD 2014 and 0.000 for IPD 2018. Based on hypothesis testing for the Village Development Index (IPD), the significance value is less than 0 .05 so that H₀ is rejected, meaning that the 2014 and 2018 Village Development Index (IPD) are not normally distributed.

Changes in Community Welfare Conditions

Measurement or evaluation related to changes in people's welfare conditions is approached (proxy) by the presence or absence of changes in monthly per capita expenditure from the National Socio-Economic Survey (Susenas) data.

After processing the monthly per capita expenditure data sourced from the 2014 and 2018 Susenas data, descriptive statistics were obtained consisting of the maximum value, minimum value, average, standard deviation and median. The description shows that the average monthly per capita expenditure in 2014 was IDR 744,859. Meanwhile in 2018, the average monthly per capita expenditure reached Rp.947,477. The results of the descriptive analysis illustrate that the average monthly per capita expenditure in 2018 is higher than in 2014.

Furthermore, when disaggregated by welfare category according to the World Bank, the following statistical picture is obtained:

Table 3. *Description of Expenditure per Capita Month of Welfare Category According to the World Bank, Years 2014 and 2018*

Welfare Categories	Statistics	Year	
		2014	2018
Bottom 40 percent	Mean	399.611	505.707
	Maximum	519.771	676.021
	Minimum	154.036	177.177
	Standard Deviation	70.841	106.303
	Median	404.560	522.167
40 percent Medium	Mean	715.767	929.064
	Maximum	979.206	1.260.621
	Minimum	519.959	676.030
	Standard Deviation	131.277	168.786
	Median	698.701	912.338
Top 20 percent	Mean	1.494.070	1.867.369
	Maximum	28.430.505	16.086.679
	Minimum	979.384	1.260.845
	Standard Deviation	1.274.977	1.116.497
	Median	1.229.631	1.557.538

The description above shows that in the welfare group of the bottom 40 percent, the average monthly per capita expenditure in 2014 was IDR 399,611. Meanwhile in 2018, the average monthly per capita expenditure reached Rp.505,707. The results of this descriptive analysis illustrate that in the welfare group of

the bottom 40 percent, the average monthly per capita expenditure in 2018 was higher than in 2014.

The description above also shows that in the middle 40 percent welfare group, the average monthly per capita expenditure in 2014 was IDR 715,767. Meanwhile in 2018, the average monthly per capita expenditure reached Rp.929,064. The results of this descriptive analysis illustrate that in the middle 40 percent welfare group, the average monthly per capita expenditure in 2018 was higher than in 2014.

The description above also shows that in the welfare group of the top 20 percent, the average monthly per capita expenditure in 2014 was IDR 1,494,070. Meanwhile, in 2018, the average monthly per capita expenditure reached Rp. 1,867,369. The results of this descriptive analysis illustrate that in the top 20 percent of the welfare group, the average monthly per capita expenditure in 2018 was higher than in 2014.

After processing the normality test of the monthly expenditure per capita data, statistical information was obtained from the Kolmogorov Smirnov test. Based on the results of the normality test output using the Kolmogorov Smirnov (KS) test, the significance value for the KS normality test is 0.00. Based on hypothesis testing for monthly expenditure per capita, the significance value is less than 0.05 so H_0 is rejected, meaning that the monthly per capita expenditure data is not normally distributed. The results of the normality test indicate that the monthly per capita expenditure data is not normally distributed, so the two-average test uses a non-parametric method instead of the t-test, namely the Mann Whitney U test.

Results of Hypothesis Testing for Changes in Village Status

After testing the normality of the data as described above, the next step is to test the hypothesis with the appropriate test statistics. The following are the results of the hypothesis testing that has been carried out.

Wilcoxon Test

After the normality test, it is known that the data is not normally distributed. Then data analysis was carried out to test the hypothesis that had been proposed, this test was conducted to determine whether there was a change in the level of village development between before and after the Village Fund management policy in improving the welfare of local communities in Jambi Province. After processing the data, the results of the Wilcoxon test can be seen in the table.

Table 4. *Wilcoxon IPD Test Results*

Test Statistics ^a	
	IPD_2014 - IPD_2018
Z	-23,218 ^b
Asymp. Sig. (2-tailed)	,000
a. Wilcoxon Signed Ranks Test	

b. Based on positive ranks.

From the calculation of the hypothesis test, the value of asymp.Sig (2-tailed) is $0.000 < 0.05$, which means that H1 is accepted and H0 is rejected. Thus it can be concluded that there is a change in the condition of the level of Village Development in Jambi Province before and after the management of the Village Fund.

To find out whether there is a change in Village Status between before and after the Village Fund management policy, the Kendall's Test is carried out.

Kendall's Test

This test was conducted to determine whether there was a change in Village Status between before and after the Village Fund management policy. After processing the data, the results of the Kendall's Test can be seen in the table.

Table 5. *Kendall's Village Status Test Results*

Village Development Category 2014 * Village Development Category 2018 Crosstabulation					
Count					
		Village Development Categories 2018			Total
		Left behind	Developing	Independent	
Village Development Categories 2014	Left Behind	59	132	0	191
	Developing	9	1083	75	1167
	Independent	0	3	27	30
Total		68	1218	102	1388
Symmetric Measures					
		Value	Asymptotic Standard Error ^a	Approximate T ^b	Approximate Significance
Ordinal by Ordinal	Kendall's tau-b	,470	,028	10,965	,000
	Kendall's tau-c	,174	,016	10,965	,000
	Gamma	,975	,008	10,965	,000
N of Valid Cases		1388			
a. Not assuming the null hypothesis.					
b. Using the asymptotic standard error assuming the null hypothesis.					

From the calculation of the hypothesis test, the asymp.Sig (2-tailed) value is $0.000 < 0.05$, which means that H1 is accepted and H0 is rejected. Thus, it can be concluded that there is a positive change in the condition of the Village Status between before (2014) and after (in 2018) the Village Fund management policy in Jambi Province.

Results of Hypothesis Testing for Changes in Community Welfare Conditions

Mann Whitney U Test

After the normality test was carried out, data analysis was carried out to test the proposed hypothesis, this test was conducted to determine whether there was a change in welfare conditions between before and after the Village Fund management policy in improving the welfare of local communities in Jambi Province. After processing the data, the results of the Mann-Whitney test can be seen in the table.

Table 6. *Mann-Whitney K Test Results*

Test Statistics ^a	
	Monthly Per Capita Expenditure
Mann-Whitney U	7419681,000
Wilcoxon W	16783309,000
Z	-19,322
Asymp. Sig. (2-tailed)	,000
a. Grouping Variable: Tahun	

From the calculation of the hypothesis test, the asymp.Sig (2-tailed) value is $0.000 < 0.05$, which means that H1 is accepted and H0 is rejected. Thus, it can be concluded that there is a positive change in the condition of Community Welfare between before (2014) and after (in 2018) the Village Fund management policy.

Furthermore, when sorted according to the welfare category of the bottom 40 percent, the following Mann-Whitney U test results are obtained. From the calculation of the hypothesis test, the asymp.Sig (2-tailed) value is $0.000 < 0.05$, which means that H1 is accepted and H0 is rejected. Thus, it can be concluded that there is a positive change in the welfare condition of the bottom 40 percent of rural communities in Jambi Province before and after the management of the Village Fund.

Furthermore, if disaggregated by the middle 40 percent welfare category, the following Mann-Whitney U test results are obtained. From the calculation of the hypothesis test, the asymp.Sig (2-tailed) value is $0.000 < 0.05$, which means that H1 is accepted and H0 is rejected. Thus, it can be concluded that there is a positive change in the welfare condition of the middle 40 percent of rural communities in Jambi Province before and after the management of the Village Fund.

Furthermore, when sorted according to the welfare category of the top 20 percent, the following Mann-Whitney U test results are obtained. From the calculation of the hypothesis test, the asymp.Sig (2-tailed) value is $0.000 < 0.05$, which means that H1 is accepted and H0 is rejected. Thus, it can be concluded that there is a positive change in the welfare condition of the top 20 percent of rural

communities in Jambi Province before and after the management of the Village Fund.

Changes in Village Status Before and After the Village Fund Management Policy

Based on the results of the previous hypothesis test, it shows that there has been a significant change in Village Status as a result of the Village Fund management policy in Jambi Province. The pattern of changes in Village Status that occurs is from Underdeveloped Village status to Developing Village, and from Developing Village status to Independent Village. In 2014 there were 191 Disadvantaged Villages, 1,168 Developing Villages, and 30 Independent Villages respectively. And then in 2018 there has been a change in the status of the village, each of which became 69 Disadvantaged Villages (or decreased by 63.87 percent), 1,228 Developing Villages (or an increase of 5.14 percent), and 102 Independent Villages (or an increase of 240 percent).

The decrease in disadvantaged villages which is quite significant (63.87 percent) and the increase in Independent Villages is almost 3 (three) times, very encouraging. This fact shows that the Village Fund management policy has actually been able to change or improve most of the Village Status in Jambi Province.

Related to the findings mentioned above, there are several similar findings that can be seen from the results of previous studies. Leon Akbar (2018), in the research title "Impact of Village Funds on Increasing Village Status" states that: based on the results of the discussion, it can be concluded that the village is the spearhead of development because the village is able to touch the lowest levels of society. One of the government's support in this case is the existence of village funds. This village fund has a very big influence on the village because it becomes a stimulus for the village to carry out economic activities. The government continues to encourage the central role of the village to realize the President's *nawacita*, namely "Building Indonesia from the periphery by strengthening regions and villages within the framework of a unitary state".

Harmonization of all aspects from the central government to the village is one of the keys to the success of village funds.

Yulitasari & Tyas in a study entitled "Village Funds and Village Status in Central Java Province", which aims to describe village funds and village status in Central Java Province, as well as the relationship between the two [10]. Where this study uses secondary data in the form of data on the amount of village funds and village status according to the Building Village Index (IDM) in 2018 and 2019 in Central Java Province. This study uses analysis in the form of descriptive statistics and simple regression. The results showed that village funds in Central Java Province increased by 14.7% in 2019 and there was an aggregate increase in village status. Regression analysis shows that changes in the amount of village funds have no significant effect on changes in village status in Central Java Province.

Arina et al, in a study entitled "The Effect of Village Funds and Village Fund Allocations on the Village Building Index (IDM) in Southeast Minahasa Regency", where the purpose of this study was to determine the effect of villages and the allocation of village funds to the developing village index simultaneously in Southeast Minahasa Regency, either simultaneously or partially [11]. The data used in this study is secondary data, namely data obtained based on available data and which have been compiled and published by certain institutions or agencies sourced from the Department of Community and Village Empowerment of Southeast Minahasa Regency, the Southeast Minahasa Regency Financial and Revenue Management Agency and Village offices throughout Southeast Minahasa Regency. The data analysis technique used in this study is multiple linear regression. The results show that: (1) Simultaneously the Village Fund and Village Fund Allocation have a significant effect on the Village Building Index in Southeast Minahasa Regency, (2) Partially, the Village Fund has a significant effect on the Index. Developing Villages in Southeast Minahasa Regency and (3) Partially, Village Fund Allocation has a

significant effect on the Building Village Index in Southeast Minahasa Regency.

From the description above, it can be concluded that the Village Fund policy has had an impact on changes or shifts and increases in village status.

Changes in Community Welfare Before and After the Village Fund Policy

The measure of the level of well-being can be measured by a person's ability to meet his material and spiritual needs. Rural development as a development target is aimed at reducing various rural and urban inequalities and improving the economy in the village. The provision of Village Funds is a manifestation of the fulfillment of the village's right to carry out its autonomy in order to grow and develop. The role of the village government is increased in providing services and community welfare as well as accelerating economic and regional development and growth aimed at improving the welfare of rural communities.

On the other hand, economic theories often link a high level of welfare with a higher quality of life. The higher the income, the higher the welfare as seen from the amount of their consumption. This understanding of welfare theory is only focused on meeting the needs of food consumption, which is said according to: "Economists see welfare as an indication of individual income (flow of income) and purchasing power of society. Based on this understanding, the concept of welfare has a narrow meaning because only looking at income as an indicator of economic prosperity means that welfare is seen as the opposite of poverty conditions.

Based on the theory stated above, the research findings show that there has been a change or increase in income (expenditure proxy) of the community, which was originally the average monthly per capita expenditure in 2014 of Rp.744,859, increasing to Rp.947,477 in 2018, or an increase of 27.20 percent. These results illustrate that the average monthly per capita expenditure in 2018 was higher than in 2014.

Furthermore, if we look more deeply, based on the welfare category according to the World Bank, it turns out that the same conditions (or evenly) occur in every welfare category group, both the welfare category of the lowest 40 percent, the middle 40 percent welfare category and the top 20 percent welfare category. For the welfare category of the bottom 40 percent, there has been an increase of 26.55 percent. Meanwhile, for the middle 40 percent welfare category, there has been an increase of 29.80 percent. Meanwhile, for the welfare category for the top 20 percent, there has been an increase of 24.98 percent.

In line with the above, the results of hypothesis testing on changes in the level of community welfare also show the same thing. That is statistically H_0 is rejected and H_1 is accepted significantly, or there has been a positive change or improvement in community welfare between before the Village Fund management policy (in 2014) compared to after the Village Fund management policy (in 2018).

Regarding the results of this study, it seems that it is in line with the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration Number 3 of 2015 concerning Village Assistance which defines village development as an effort to improve the quality of life and life for the greatest welfare of the Village community. According to Sulistiyani, empowerment is a process towards culture, or a process to gain power or strength or ability, and or a process of giving power to those who are less or not yet empowered [12]. Empowerment emphasizes that people acquire sufficient skills, knowledge and power to influence their lives and the lives of others they care about.

The results of this study are also in line with the results of previous relevant studies. Some of the results of previous studies include research related to Village Funds, development, and community welfare that have been carried out in Indonesia.

Ministry of Finance (2017). In the Village Fund Pocket Book, with the theme "Village Funds for Community Welfare: Creating Job

Opportunities, Overcoming Inequality, and Alleviating Poverty". This study concludes that, there is an impact of the Village Fund on reducing inequality and poverty in rural communities. The Village Fund has succeeded in improving the quality of life of rural communities, which is shown, among others, by decreasing the ratio of rural inequality from 0.34 in 2014 to 0.32 in 2017. The decline in the number of rural poor people from 17.7 million in 2014 to 17.1 million in 2017 and, a decrease in the percentage of the rural poor from 14.09 percent in 2015 to 13.93 percent in 2017.

Muslihah et al. in a study entitled "Impact of Village Fund Allocation on Development and Welfare of Village Communities in Bantul Regency, Special Region of Yogyakarta", where the research was conducted by comparing development and welfare indicators between before and after the existence of the Fund [13]. village. This study used a sample of 75 villages in Bantul Regency. The data analysis method uses a two-average difference test to see the impact resulting from the allocation of village funds. The test results show that there is a significant difference in physical development and community welfare between before the Village Fund and after the Village Fund was given. These results indicate that the provision of village funds by the government has an impact on physical development and community welfare in Bantul Regency, Special Region of Yogyakarta.

The economics of the Village Fund policy on poverty in Temanggung [14]. The results of the analysis show that the existence of village funds affects the welfare of the community, which is marked by a reduction in poverty in Temanggung.

Regarding the description above, the findings of previous research, and conformity with the regulations and the theories of the underlying experts, it can be generally concluded that the Village Fund management policy which began in the 2015 fiscal year has been significantly (significantly) able to create positive changes. in terms of improving the status of the village, and in the end it can improve the welfare of

local (rural) communities, especially in Jambi Province.

Conclusion

The conclusions are as follows: (1) There is a positive change or improvement in the condition of village status between before and after the Village Fund management policy, and (2) There is a positive change or improvement in the welfare condition of the local community between before and after the Village Fund management policy in Jambi Province.

It is recommended; (1) Strengthen human resources by improving education and skills; (2) Improve assistance and guidance to Village Fund managers; and (3) Carry out routine and periodic supervision so that the process of managing the Village Fund is even better or there is no fraud.

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