

Effect Of Transparency, Human Resources Competence, Community Participation, Government Internal Control System, Village Apparatur Commitment to Management Village Fund (Empirical Study on Villages in Meranti Islands District)

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Abstract: This research was conducted with the aim of testing the effect of transparency, human resource competence, community participation, spip and commitment of village officials to the management of village funds. Sources of data used in this study are primary data and questionnaires as a means of collecting research data. The population in this study were 96 villages in Meranti Islands Regency and the number of samples of 77 villages was calculated using the Slovin formula with purposive sampling method, each village there were 6 respondents so that the total respondents were 462 respondents in this study. The statistical results obtained from this study are that transparency and SPIP have an effect on the management of village funds, while the competence of human resources, community participation and commitment of the village apparatus has no effect on the management of village funds.

Keywords: *Transparency, HR competency, community participation, government internal control system, village apparatus commitment, village fund management*

1. Introduction

The financial regulations of the Republic of Indonesia explain that village funds are part of the State Expenditure allocated in the State Revenue and Expenditure Budget to the Regions and Villages in the context of carrying out the tasks that have been submitted to the Regions and Villages. Empowering State Revenue and Expenditure Budget for Village Fund transferred through the district/city Regional Expenditure Budget and used to finance the implementation, implementation of development, guidance, and the community. (PMK RI Number 222/PMK.07/2020).

Management related to the use of village funds has also been regulated in Presidential Regulation Number 104 in 2021 which explains that the use of the 2022 Village Fund is regulated as follows: (a). social protection program in the form of direct village cash assistance of at least 40% (forty percent), (b). The food and animal security program are at least 20% (twenty percent), (c). Funding support for handling Corona Virus Disease 2019 (COVID-19) is at least 8% (eight percent), from the allocation of the Village Fund for each village; and D). Other priority sector programs (e). Regional Incentive Funds; and (p). Special Autonomy Fund and Specialty Fund of Yogyakarta. Of the total 100% (one hundred percent) of the Village Fund received by each village, the Village Government can only allocate 32% (thirty two percent) of the Village Fund to meet the needs of other priority sector programs.

Furthermore, the Meranti Islands Prosecutor's Office named the Mekong Village Head as a suspect because he had harmed the state on allegations of corruption in the misuse of Village Funds and BUMDes funds for the 2017 fiscal year of IDR 1.3 billion, 2018 of IDR 1.8 billion, and 2019 of IDR 1.7 billion. The BUMDes funds that were corrupted were village funds which were the responsibility of the village government, the potential or total state losses incurred by the suspect for three consecutive years reached Rp 347,868,252 based on the results of calculations carried out by the Meranti Islands Inspectorate. The suspect is subject to Article 2 paragraph 1, Junto Article 3, Junto Article 18 and Junto Article 64 Paragraph 1 of the Criminal Code. So far, the suspect's modus operandi has been based on reports that cannot be accounted for (Riaupos.com).

In this case, if there is corruption of BUMDes funds in each region, of course it is caused by negligence from the village government for each program. The village government, namely the village head, is fully responsible for the funds allocated for village development and activities carried out for the village. Because most of the role of this village government in managing BUMDes is as a facilitator for the formation and development of BUMDes, as a mediator in forming the management and organization of BUMDes and as management of implementing sustainable village development programs and providing supervisors to each BUMDes management.

This research is a development of Masruhin, A and Kaukab, M.E (2019) who conducted his research in villages in Mojotengah District, Wonosobo Regency with the research title "The Effect of Apparatus Competence, Organizational Commitment, Community Participation, and Clarity of Budget Targets on Village Fund Management " . However, this study did not use the target budget target variable on the grounds that this target variable was intended to facilitate village officials in reaching government agencies, in addition to making decisions transparently fought by village officials. According to the researcher, this budget target financial report means that the village fund management report must have transparency, therefore it only includes one of these two, so that it is updated in research.

The difference in this study is to add transparency and SPIP variables as independent variables which were not previously available in this study. With the addition of variables that are influenced in this research, it makes the update in research that will be carried out. In addition, the difference lies in the location of the research conducted by Masruhin, A. and Kaukab, M.E. (2019). in villages in Mojotengah District, Wonosobo Regency, while this research was conducted in villages in Meranti Islands Regency. The next difference lies in the year of research. Research from Masruhin, A. and Kaukab, M.E (2019) while this research was carried out in 2022 until completion.

2. Research Method

This study uses quantitative methods and the variables used in this study are transparency, human resource competence, participation, SPIP and commitment of village officials to the management of village funds. The sample in this study was 77 villages in the Meranti Islands Regency with the number of respondents in each village, namely 6 so that the total respondents were 462 respondents in the Meranti Islands Regency. Samples taken using purposive sampling method based on certain criteria made based on research objectives. Village apparatus consisting of the Village Head, Village Secretary, Village Treasurer, Head of Finance, Head of Planning, Technical Executor of Activities and a minimum of 1 year of service and a minimum

education equivalent to SMA/SLTA. In the research, the variables that act as independent variables are transparency, human resource competence, community participation, SPIP and commitment of the village apparatus.

The questionnaire in this study was used as an instrument of research, while the questionnaire in this study could measure the independent variable and the dependent variable. The questionnaire that the researcher gave to the respondents was used for research purposes only and the researcher would of course maintain its confidentiality in accordance with research ethics. Therefore, respondents are free to provide answers according to their respective perspectives. The financial statements of village funds and the presentation of village government programs are easily accessible to the public freely, this questionnaire is to measure the transparency variable about how the financial statements can be accessed easily. To measure the competency variable of HR (Human Resources) we can see whether the village apparatus often participates in technical training to improve the ability to prepare financial reports or not.

The community in my village is directly involved in making decisions on the preparation of programs to use village funds, from this questionnaire it can be used to measure community participation variables. To measure the SPIP (Government Internal Control System) variable, the researcher entered a questionnaire containing that the village head as the leader of the village government often set an example in implementing the applicable regulations, this was to determine the control in his village apparatus in managing village funds according to the rules. I as a village apparatus have the initiative to involve myself in achieving organizational goals, this questionnaire is to measure the commitment variable of the village apparatus. The financial management of village funds is always prepared honestly, and in accordance with Permendagri No. 13 of 2014 concerning Village Financial Management, this questionnaire is to measure village fund management variables. Of all the questionnaires given to respondents in every village in the Meranti Islands Regency tested valid and reliable.

3. Results and Discussions

a. Descriptive Analysis Results

Is an overview of the summary of data from each variable that will be included in the testing process, the aim is to make it easier to understand the data, starting from the amount of data (N), Average Value (Mean), Maximum Value, Minimum Value, and Standard Deviation Data (Std Deviation).

Table 1 Descriptive Statistics

Descriptive Statistics					
	N	Min	Max	Mean	Std. Deviation
Transparency (X1)	449	22	35	30.12	2.306
HR Competence (X2)	449	10	20	15.93	1.718
Society participation (X3)	449	13	25	19.41	2.305
SPIP (X4)	449	30	50	41.69	3.719
Commitment of village official (X5)	449	10	25	18.60	3.421
Village fund management (Y)	449	14	25	21.27	1.667
Valid N (listwise)	449				

Source: Processed Data 2022

b. Data Quality Test

1) Validity Test Results

Validity testing shows the accuracy of the questionnaires distributed to respondents. Validity test is done by comparing the calculated r value with r table for degree of freedom ($df = n - 2$), where n is the number of samples. In this study obtained $df = 449 - 2 = 447$. The value of r table with degrees of freedom (df) 447 is 0.196. If r count $>$ r table, then the question item for each variable is declared valid.

The results of the validity test in this study indicate that all statements for all variables in the questionnaire are valid. This is evidenced by the value of Corrected Item-Total Correlation $>$ 0.196.

2) Reliability Test Results

Reliability test aims to determine the extent to which the measurement results remain consistent, if the measurement is carried out twice or more for the same symptoms using the same measuring instrument. The method used is Cronbach Alpha. A research instrument is said to be reliable if the alpha value $>$ 0.60.

The results of the reliability test showed that all research variables consisting of transparency, human resource competence, community participation, SPIP, village apparatus commitment and village fund management had met the reliability test criteria and were declared reliable as indicated by the cronbach alpha value $>$ 0.60.

c. Classic Assumption Test Results

1) Normality Test Results

Normality test is useful to find out whether the dependent variable, independent or both are normally distributed, close to normal or not. Two methods in the normality test are the graphical method, namely looking at the spread of the data on the diagonal source on the P-Plot chart of regression standardized residuals. As a basis for making decisions, if the points spread around the diagonal line, the regression model meets the assumption of normality. Kolmogorov Smimov One Sample Test Method. This test is used to determine the normal distribution. Normal residual if the significant value is greater than 0.05.

The results of the normality test in this study indicate that the residual value is normally distributed because the significance value is greater than 0.05. This the results of this study are declared acceptable because based on the results of the normality test, the analyzed data has met the normality test criteria.

2) Multicollinearity Test Results

This multicollinearity test aims to test whether a regression model has a correlation between independent (independent) variables. Multicollinearity testing is seen from the amount of VIF (Variance Inflation Factor) and Tolerance. Tolerance measures the variability of the selected independent variable that is not explained by other independent variables. So, a low Tolerance value is the same as the VIF value = $1/\text{Tolerance}$. The cut off value commonly used to indicate the presence of multicollinearity is the Tolerance value $<$ 0.10 or the same as the VIF value $>$ 10 (Ghozali, 2018: 106).

Based on the results of multicollinearity testing in this study, it shows that the regression model does not occur multicollinearity. This can be seen from the test results, which can be seen that the VIF value is < 10 , while the tolerance value is > 0.1 . It can be concluded that the regression model is free from multicollinearity.

3) Heteroscedasticity Test Results

According to (Ansofino, et al, 2016:94) the heteroscedasticity test is to see whether there is an inequality of variance from one residual to another observation. Heteroscedasticity test can also be tested with the glacier test by proposing to regress the absolute value of the residual to the independent variable, namely if the significance value is > 0.05 , then there is heteroscedasticity and if the significance value is < 0.05 , then there is no heteroscedasticity.

d. Data analysis technique

1) Multiple Linear Regression Test

To prove whether the hypothesis is accepted or rejected, a multiple linear regression test is carried out. From the tests carried out, the results of the regression coefficients were obtained.

Table 2 Multiple Linear Regression Test

Model	Coefficients ^a		Beta	T	Sig.
	Unstandardized Coefficients	Standardized Coefficients			
	B	Std. Error			
1 (Constant)	0.947	1.030		0.920	0.358
transparency	0.553	0.022	0.764	25.446	0.000
HR competency	0.047	0.029	0.049	1.598	0.111
community participation	0.032	0.022	0.044	1.481	0.139
SPIP	0.054	0.014	0.120	3.954	0.000
village apparatus commitment	0.003	0.015	0.007	0.231	0.818

a. Dependent Variable: Management Of Village Funds

Source: Processed Data 2022

4. Conclusions

a. Hypothesis Testing Results

1) The Effect of Transparency on Village Fund Management

The tcount value is 25.446 with a significance of 0.000 and the ttable value is obtained at a significance level of 5% (2-tailed) with the equation $n - k - 1$. $\alpha/2 = 449 - 5 - 1: 0.05/2 = 443: 0.025 = \pm 1,974$ where n is the number of samples, k is the number of variables and 1 is a constant. This it is known that tcount (25.446) $>$ ttable (1.974) and Sig (0.000) < 0.05 . So, it can be said that H01 is rejected and Ha1 is accepted. This shows that Transparency has an effect on Village Fund Management.

This is because every village fund management activity must be transparent from the village government. Good and transparent management of village funds will certainly provide quality results, accountability for the management of village funds to always be open will certainly result in appreciation from the community because it has made it easier for the community to supervise the government and can minimize the occurrence of irregularities in the management of village funds, but on the contrary if the management of village funds is carried out in a closed and hidden manner, it will cause many problems in the future.

2) The Influence of HR Competence on Village Fund Management

It is known that the HR competency variable (X2) with a tcount value of 1.598 < 1.974 ttable or a sig of 0.111 > 0.05 so it can be concluded that the second hypothesis is rejected, the HR competency variable (X2) has no effect on the management of village funds because it shows that human resources who have a job description that is appropriate or not in accordance with their educational background, does not guarantee whether the management of village funds can run well.

These competent resources will of course carry out their duties with the expertise and abilities they have because it is based on what has been mandated. In addition to having good abilities, they will also carry out tasks in accordance with existing procedures in order to achieve the planned goals and objectives. This human resource competency is a fundamental characteristic that must be possessed by someone who has a direct influence on or can predict excellent performance. Because of this, the competence of human resources becomes a measure for a person to be given a task with the possibility of giving good performance results.

However, the main problem in human resource competence is the lack of awareness of each individual that their abilities can work well without being based on coercion. So far, the village apparatus has not worked to the best of their abilities, and from the results of the questionnaires that have been collected, it is found that the respondents in the sample do not really care about the statements in the questionnaires given by the researchers. So that the results obtained that do not affect the competence of human resources and the management of village funds.

The results of this study are in line with research (Perdana KW, 2018; Prita Dilla Anggraeni, 2019 and Elfin, et al. 2019) which found that the HR competency variable had no effect on accountability in village fund management. Based on these results, it can be concluded that the competence of human resources is not a determinant in having an impact on the quality of village fund management, so that the competence of human resources cannot show that the higher the quality of human resources, the better the management of village finances. (Dewi, 2021).

This result is contrary to research (Anam Masruhin and M. Elfan Kaukab, 2019) that HR competence affects the management of village funds. This means that the higher the level of competence of the apparatus, the more accountable the management of village funds. This is because employees who have high competencies such as knowledge, skills, and good attitudes will always work effectively, efficiently and productively so that the performance of village fund management will increase.

3) The Effect of Community Participation on Village Fund Management

It can be seen that the community participation variable (X3) with a tcount of $1.481 < t_{table} 1.974$ or a sig of $0.139 > 0.05$ so it can be concluded that the third hypothesis is rejected, the community participation variable (X3) has no effect on the management of village funds.

In the perspective of stewardship theory, it states that the community as the principal is the main goal of governance. Therefore, to realize the priority of government goals optimally, community participation is needed who can provide input, assessment and supervision on the performance of village officials (steward). In managing village funds, of course, community participation plays an active role in improving effective, efficient, and economical fund management, because community aspirations can be a form of directing the goals for the use of these funds. In addition, the community as the principal has the right to evaluate, assess, and supervise the management of funds in order to create an orderly fund management. Thus, if a village applies the principle of community participation well, then the management of village funds can also be said to be optimal.

However, the main problem in this community participation is the lack of awareness from the village government that it is important to involve the community in managing village funds, because the role of this community is to provide input, assessment and supervision on the performance of village officials which can improve the work system of village officials. Community participation not only involves the community in decision-making in every government program, but the community is also emphasized to be involved in identifying problems and potentials that they have. However, so far the village apparatus has only been passive without involving the community.

The results of this study are in line with (Indraswari NE, 2021 and Aprilia RK, 2020) stating that community participation does not affect the accountability of village fund management. However, this study contradicts previous research (Anam Masruhin and M. Elfan Kaukab, 2019) that community participation affects the management of village funds. This means that the higher the participation, the higher the number of individuals involved in it. The higher the involvement of the individual, the higher their sense of responsibility to carry out the decisions that have been made and development will be better in the future.

4) The Effect of SPIP on Village Fund Management

It can be seen that the SPIP variable (X4) with a tcount value of $3.954 > t_{table} 1.974$ or a sig of $0.000 < 0.05$ so it can be concluded that the fourth hypothesis is accepted, the SPIP variable (X4) affects the management of village funds because the better the control system in an instanti, can be used as a control tool in the management of village funds so that the management of village funds can run well and according to the existing system.

This is because the government's internal control system has an important role in management because in managing village funds there must be internal control so that it can be the basis for policies and procedures to minimize risk, as well as a tool for

anticipating discrepancies or loopholes for violations within the government and realizing budget implementation in an efficient manner. orderly and orderly. Management of village funds based on this system will make it easier for managers to carry out their work and can reduce error rates. However, there are still many managements who have not used the government's internal control system due to the lack of understanding of the managers on the use of this system.

5) The Effect of Village Apparatus Commitment on Village Fund Management

It can be seen that the village apparatus commitment variable (X5) with a tcount of $0.231 < t_{table} 1.974$ or a sig of $0.818 > 0.05$ so it can be concluded that the fifth hypothesis is rejected, the village apparatus commitment variable (X5) has no effect on the management of village funds. High commitment will affect the performance of the village government so that there will be a boost to the success of accountable and transparent village fund management. This means that the better the commitment of the village apparatus, the better results will be on the performance it does to manage village funds. So we can see that if an individual has a commitment, this will indicate success in achieving a goal which will basically affect his actions and performance consequences.

However, so far, the problem with village officials is the low level of commitment that can affect poor performance. Lack of cooperation within the organization in achieving goals so that the willingness to help leaders, a sense of pride in the organization, readiness in carrying out obligations or mandates, the alignment of values owned by the organization is still relatively low.

This study is in line with research (Perdana, 2018) and (Baihaqi and Damayanti, 2016) that the commitment variable does not affect the accountability of village fund management. Because commitment is not so influential without clear actions in achieving organizational goals and also the village government needs support and trust from the organization to achieve goals in the form of awards or rewards.

However, the results of this study contradict (Anam Masruhin and M. Elfan Kaukab, 2019) that organizational commitment affects the management of village funds. This means that high organizational commitment will encourage the performance of village government officials. This is because if an officer has a sense of belonging in his organization he will work diligently to stay and work and devote himself to the organization well. So that it will support the success of accountable village fund management.

6) Coefficient of Determination Test Results

The coefficient of determination (R²) test was carried out with the aim of knowing how far the model's ability to explain the variation of the dependent variable was.

Table 3 Coefficient of Determination Test Results

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.779	0.607	0.603	1.050
a. Predictors: (Constant), transparency, HR competency, community participation, SPIP, village apparatus commitment				
b. Dependent Variable: Management Of Village Funds				

Source: Processed Data 2022

Based on table 5.19 it can be seen that the R square is 0.607 which explains that the independent variables consisting of transparency, HR competence, community participation, SPIP, and village apparatus commitment can explain 60% of the dependent variable, namely the management of village funds. While the remaining 40% is explained by other variables not examined in this study.

5. Conclusion

Based on the analysis and discussion in the previous chapter, it can be concluded:

- a. Transparency affects the management of village funds in the Meranti Islands Regency. This means that the more transparent the management of village funds, the better, good and transparent management of village funds will provide quality results, accountability for the management of village funds to always be open will certainly result in appreciation from the community because it makes it easier for the community to supervise the government and can minimize the occurrence of irregularities. in the management of village funds
- b. Competence of human resources has no effect on the management of village funds in the Meranti Islands Regency. This shows that human resources who have job descriptions that match or do not match their educational background do not guarantee whether village fund management can run well. Human resources are the lack of awareness of each individual that what they have can work well without being forced.
- c. Community participation does not affect the management of village funds in the Meranti Islands Regency. It is not realized by the village government that it is important to involve the community in managing village funds, the role of this community has an impact and supervision on the performance of village officials.
- d. SPIP has an effect on the management of village funds in the Meranti Islands Regency. This means that the better the control system in an instanti, can be used as a control tool in managing village funds so that village fund management can run well and according to the existing system.
- e. The commitment of the village apparatus has no effect on the management of village funds in the Meranti Islands Regency. This is due to the lack of cooperation within the organization with the aim of helping the leader, a sense of pride in the organization, readiness in carrying out obligations or mandates, the alignment of values owned by the organization is still low so that it can affect performance in the village apparatus.

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