

# Management of Village Funds to Improve Development in Galung Village, Barru Regency

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## ABSTRACT

This study examines the effectiveness of village fund management in enhancing development, analyzes the impact of village funds on development improvement, and identifies supporting and inhibiting factors for village fund realization in Galung Village, Barru Regency. The research employs a qualitative descriptive method with a case study approach. Data collection utilized primary and secondary sources, including the Galung Village Budget Realization Report and interviews with key informants. Data analysis combined effectiveness ratio analysis and qualitative data analysis through data organization and coding, theme and pattern identification, data interpretation, narrative compilation, verification, triangulation, and conclusion drawing. The findings reveal that village fund management effectiveness in Galung Village, Barru Regency during 2019-2023 achieved an effective category with 100% realization rate annually. Village funds positively impacted development through infrastructure improvements that enhanced accessibility, facility utilization, and community quality of life. Supporting factors for village fund realization include clear government policies and robust technology information systems. Meanwhile, inhibiting factors encompass limited human resource capacity, adverse weather conditions, and insufficient community participation.

## ABSTRAK

Penelitian mengkaji efektivitas pengelolaan dana desa dalam meningkatkan pembangunan, menganalisis dampak dana desa terhadap peningkatan pembangunan, serta mengidentifikasi faktor pendukung dan penghambat realisasi dana desa di Desa Galung Kabupaten Barru. Penelitian menggunakan metode deskriptif kualitatif dengan pendekatan studi kasus. Pengumpulan data memanfaatkan sumber primer dan sekunder, meliputi Laporan Realisasi APB Desa Galung dan hasil wawancara dengan informan kunci. Analisis data mengombinasikan analisis rasio efektivitas dan analisis data kualitatif melalui pengorganisasian dan pengkodifikasian data, identifikasi tema dan pola, interpretasi data, penyusunan narasi, verifikasi, triangulasi, dan penarikan kesimpulan. Temuan menunjukkan efektivitas pengelolaan dana desa di Desa Galung Kabupaten Barru tahun 2019-2023 mencapai kategori efektif dengan tingkat realisasi 100% setiap tahun. Dana desa berdampak positif terhadap pembangunan melalui perbaikan infrastruktur yang meningkatkan aksesibilitas, pemanfaatan fasilitas, dan kualitas hidup masyarakat. Faktor pendukung realisasi dana desa meliputi kebijakan pemerintah yang jelas dan sistem teknologi informasi yang memadai. Sementara faktor penghambat mencakup keterbatasan kapasitas sumber daya manusia, kondisi cuaca yang tidak mendukung, dan partisipasi masyarakat yang belum optimal.

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## 1. Introduction

The implementation of national development is expected to accelerate the pace of development in every region and reduce development disparities between villages and cities to create harmonious conditions. This is because development inequality between rural and urban areas is still frequently found in Indonesia's social fabric (Winarianti, 2020). National development implementation must be driven through methods that position communities not merely as objects, but also as subjects of development who

are expected to be more actively involved in the development process itself. This aligns with efforts to restore the socio-economic well-being of communities as part of development priorities, while also improving the image of government administration in the development process (Waworuntu *et al.*, 2022).

Conceptually, the development process represents an effort to formulate sustainable improvements for more prosperous community life, providing ways to determine welfare levels within a nation (Kartono & Nurcholis, 2016). Villages, as representations of the smallest community units, have existed and grown to become an inseparable part of Indonesia's national journey. According to Law Number 6 of 2014, Article 1, Paragraph 1, a village is defined as a legal community unit with territorial boundaries that has the authority to regulate and manage governmental affairs and local community interests based on community initiative, traditional rights, and customs that are recognized and respected within the Unitary State of the Republic of Indonesia's governmental system. According to Rahardjo (2024), in village development, village governments have roles and responsibilities in implementing and fulfilling their citizens' needs as part of regional autonomy. The village development process must consistently align with rural community needs so that development outcomes can be directly experienced by the people.

Policies regarding development direction and strategies in villages and rural areas should not be separated from the President's vision and mission to build Indonesia from the periphery by strengthening regions and villages within the framework of the Unitary State of the Republic of Indonesia. These efforts include allocating Village Funds that focus more on poverty alleviation and addressing inter-village disparities (Panuluh, 2020). Village development represents participatory development where the development process is managed collectively through deliberative consensus and implemented through mutual cooperation—a culture deeply rooted in Indonesian village community values. According to Devyana (2020), village development constitutes efforts to encourage improved welfare levels and quality of life for village communities, expected to reduce poverty rates through programs supporting basic needs fulfillment, availability of village infrastructure and facilities that can support community productivity, local economic potential development, and sustainable village resource management.

The central government's support in encouraging village development improvement takes the form of village fund allocation policies for every village as one source of village income. Based on Government Regulation Number 22 of 2015, Article 1, Paragraph 2, village funds are defined as funds originating from the State Revenue and Expenditure Budget (APBN) specifically allocated for villages through Regional Revenue and Expenditure Budgets (APBD) of Regencies/Cities, utilized for financing government administration, development realization, and community empowerment. Through the Village Law, it is hoped that villages can become advanced, independent, and democratic in implementing village governance systems (Halawa, 2023).

Based on observational results, Barru Regency serves as the research object, focusing on Galung Village in Barru District. This selection was made because Barru Regency has fewer villages, lower poverty rates, smaller territorial area compared to other regencies, and relatively substantial village funds focusing on village development based on local potential such as fisheries and agriculture sectors. This enables researchers to focus specifically on villages within Barru Regency. Village fund allocation in Barru Regency for 2024 can be seen in the following table:

Table 1. Village Funds in Barru Regency 2024

No	District	Budget (Rp)
1	Tanete Rilau	7,361,171,000.00
2	Tanete Riaja	5,709,127,000.00
3	Pujananting	5,547,604,000.00
4	Mallusetasi	5,357,022,000.00
5	Soppeng Riaja	5,010,604,000.00
6	Barru	4,623,966,000.00
7	Balusu	4,447,189,000.00

Source: Ministry of Finance of Indonesia (2024)

Galung Village in Barru District, Barru Regency, as the research object, demonstrates that village fund management in Galung Village is prioritized for village development activities, community empowerment, disaster management, and village government operations at 3% of the total village fund budget. The village fund budget allocation for Galung Village over the past five years has shown an increasing trend. The substantial village income received through village fund allocation over the past five years requires evaluation regarding village fund management implementation, because even if villages receive large funds but manage them unwisely, this will not significantly impact village growth (Dauri *et al.*, 2020).

According to researchers, village fund management in Galung Village, Barru Regency, has not been fully optimized by local government, particularly in development and community empowerment sectors. Agricultural road construction, which fundamentally serves the needs of communities whose majority work as farmers, has not been evenly realized. Additionally, the absence of Village-Owned Enterprises (BUMDes) that should enhance income and business independence for Galung Village itself presents challenges. Community conditions show limited skills and entrepreneurial capabilities, preventing local communities from maximizing village resource potential that could become community income sources. This represents that community empowerment programs have not been sufficiently optimal in creating more independent community conditions. Therefore, evaluation of village fund management implementation is necessary, as it should enhance community welfare in Galung Village, Barru District, Barru Regency.

Village fund management is expected to reflect good governance principles, where strong connections between government and communities are established by encouraging community participation in village development implementation. Based on this phenomenon, the author is interested in discussing and examining more deeply the effectiveness level of village fund management in enhancing development, raising the research title Effectiveness of Fund Management in Enhancing Development in Galung Village, Barru Regency.

## 2. Methodology

This study employs a qualitative descriptive approach using a case study method. This approach was chosen to obtain an in-depth understanding based on facts from the phenomenon being investigated and described descriptively, enabling comprehensive conclusion drawing. The data utilized consists of primary and secondary data sourced from the Village Budget Realization Report of Galung Village Government and interview results with informants or research subjects. The subject determination method in this research uses Non-Probability Sampling, which is a sample selection technique where each population member does not have equal opportunity to be selected, employing purposive sampling method where researchers select individuals or groups that have

direct relevance to the research focus. Data collection in this study is conducted using triangulation techniques, where researchers apply various data collection methods to obtain information from diverse sources. This is accomplished through participatory observation, in-depth interviews, and document analysis simultaneously to obtain more valid and credible data. Data is analyzed using effectiveness ratio analysis to illustrate Galung Village government's achievement in realizing village fund finances to implement planned development programs. The formula used is:

$$\text{Effectiveness} = (\text{Village Fund Allocation Realization})/(\text{Village Fund Allocation Target}) \times 100\%$$

In analyzing qualitative data, this research employs methods of data organization and codification, theme and pattern identification, data interpretation, narrative or findings report compilation, verification and triangulation, and conclusion drawing. The operational definitions in this research are as follows:

1) Village Funds

Based on Government Regulation (PP) Number 22 of 2015, Article 1, Paragraph 2, village funds are funds originating from the State Revenue and Expenditure Budget (APBN) specifically allocated for villages, including Galung Village, channeled through the Regional Revenue and Expenditure Budget (APBD) of Barru Regency. These funds are utilized for financing government administration, development realization, and community empowerment in Galung Village.

2) Village Fund Management Effectiveness

Effectiveness in this context refers to Galung Village government's achievement in managing village finances based on the percentage of targets established over the past five years. The effectiveness level is measured using effectiveness ratios based on targets and village fund realization in Galung Village Government development programs, Barru Regency. The measurement scale refers to the Minister of Home Affairs Decree Number 690.900-327 of 1996 concerning Guidelines for Financial Performance Assessment with Village Development criteria.

3) Village Development

Village development in this research consists of two main aspects:

a) Physical Development

Encompasses infrastructure development such as roads, bridges, educational facilities, irrigation systems, and other public facilities, hereinafter referred to as village development.

b) Human Resource Development

Includes community empowerment in education, skill development, health, and other capacity-building aspects, hereinafter referred to as village community empowerment.

### 3. Results

The data that researchers can present from the audience sessions with Galung Village Officials regarding the effectiveness of village fund management in enhancing development through the realization of village needs and expenditures over the past five years is as follows:

Table 2. Effectiveness of Galung Village Fund Management 2019-2023

No.	Year	Budget (IDR)	Realization (IDR)	Effectiveness Ratio (%)
1.	2019	1,133,879,000	1,133,879,000	100
2.	2020	1,199,596,000	1,199,596,000	100
3.	2021	1,237,697,000	1,237,697,000	100
4.	2022	895,659,000	895,659,000	100
5.	2023	1,132,168,000	1,132,168,000	100

Source: Primary Data, processed (2025).

The table above demonstrates that over the past five years, budget management realization in Galung Village from 2019 to 2023 has remained consistently stable in Village Fund management within the Development and Empowerment sectors, showing an effectiveness level of management and utilization realization at one hundred percent. Galung Village Funds represent a government program aimed at enhancing development and community welfare. The impact can be observed across several aspects, particularly in infrastructure, economy, social welfare, and governance. Infrastructure development has improved accessibility, facility utilization, and quality of life for Galung Village residents. This is reflected in increased local economic activities, enhanced access to healthcare and educational services, and strengthened community solidarity. Based on the researchers' findings, there is a need for policy improvement and infrastructure project implementation in Galung Village. The Galung Village Government needs to enhance routine maintenance and repair of existing infrastructure to ensure long-term quality preservation. Despite significant progress, several challenges remain to be addressed. Poor infrastructure quality and maintenance, uneven distribution, rigid community participation in development planning that focuses solely on irrigation development without considering other potentials such as productive human resource development, and inequitable benefit distribution continue to be major issues. The inhibiting and supporting factors for Galung Village government in realizing village funds for development can be identified through direct discussions with Galung Village government as the institution responsible for Village Fund management implementation, through evaluation and reporting stages of Village Fund management to enhance development in Galung Village, Barru District, Barru Regency. Supporting Factors in Realizing Galung Village Funds:

- 1) Clear Government Policies These policies encompass various regulations, guidelines, and mechanisms established by the government to ensure that village funds can be channeled, managed, and utilized effectively.
- 2) Technology and Information Systems With technology, administration becomes more transparent, accountable, and efficient. Quality management using digitalization serves as a supporting factor for Galung Village government.

Inhibiting Factors in Realizing Galung Village Funds:

- 1) Insufficient Human Resource Capacity Limited human resource capacity represents one of the obstacles in Galung Village Fund realization. The still-low HR capacity in Galung Village becomes a barrier in Village Fund implementation, planning, and reporting.
- 2) Weather Conditions and Limited Community Participation In mountainous areas, particularly Galung Village, extreme weather conditions such as heavy rainfall and landslides can hinder infrastructure development processes and material distribution. Additionally, low community participation in village fund planning and supervision results in insufficient involvement in designed programs.

## 4. Discussion

Village development plays a crucial role in improving quality of life and community welfare. One form of central government support in promoting village development is the policy of providing village funds that function as one of the income sources. Effective village fund management is essential, with demands for transparency and accountability from village governments. Research shows that accountability in village fund management is an important factor in government policy realization, so stakeholders at the village level are expected to work transparently and accountably (Andriani & Zulaika, 2019; Mustofa & Afifah, 2023). Good village fund management must reflect principles of orderly administration. Research conducted in Ngabul Village shows that village fund management and accountability practices are adequate, although there are still challenges in terms of human resources and coordination (Solehan & Sukresno, 2024). Research in Cilongok District states that policies in village fund governance are very important to implement according to community needs, strengthening the importance of community participation in the management process (Sutikno, 2021).

The discussion of this research results shows that the Effectiveness of Village Fund Management in Enhancing Development in Galung Village, Barru Regency from 2019-2023 falls into the effective category with a 100% percentage level each year. This is based on predetermined indicators, namely financial performance referring to the Minister of Home Affairs Decree Number 690.900-327 of 1996 concerning Guidelines for Financial Performance Assessment, which states that if the effectiveness level or comparison result between realization and village fund management targets achieves 90-100%, it can be categorized as effective. Development enhancement efforts in Galung Village, Barru Regency through village funds are reflected in the realization of development and empowerment programs conducted by the relevant village government, ranging from irrigation development, reservoirs, pregnant mother classes, educational cost assistance, skills training, women's empowerment, merit scholarships, and direct cash assistance (BLT). These programs are based on local community needs. This aligns with Halawa (2023), who states that in the village development process, there are two main aspects: physical aspects including the development of village facilities and infrastructure such as road construction, bridges, educational facilities, and irrigation; and human empowerment aspects including community empowerment in education, health skills, and others.

In principle, through development and community empowerment programs financed by village funds, positive impacts have been provided to local communities. This is reflected through improved community accessibility, facility utilization, and quality of life for Galung Village residents. This also drives increased local economic activities, access to healthcare and educational services, and community solidarity. This aligns with Waworuntu *et al.* (2022), who state that village development is part of community movement based on collective awareness in efforts to improve better living conditions. Based on researchers' findings, policy improvement and infrastructure project implementation in Galung Village are needed. Galung Village Government needs to enhance routine maintenance and repair of existing infrastructure to ensure long-term quality preservation. This is reinforced by Devyana's research (2020), which states that village development is an effort to encourage improved welfare levels and quality of life for village communities, expected to reduce poverty rates through basic needs fulfillment support programs, availability of village facilities and infrastructure that can support community productivity, local economic potential development, and sustainable village resource management.

From another perspective, village fund realization in enhancing development in Galung Village, Barru Regency cannot be separated from inhibiting and supporting

factors. Field findings show that there are supporting factors in realizing village funds in Galung Village, including clear government policies that serve as references for Galung Village government in making measured policy decisions encompassing various regulations, guidelines, and mechanisms established by the government to ensure village funds can be channeled, managed, and used effectively. Another supporting factor is technology and information systems that help accelerate disbursement processes, increase transparency, and strengthen accountability and village management information. With digital systems like Siskeudes and Digides, funds can be managed effectively and beneficially for development and community welfare.

Additionally, there are inhibiting factors in realizing village funds in Galung Village, including insufficient human resource capacity such as lack of understanding regarding regulations and financial administration in village fund management, which becomes a barrier in Village Fund implementation, planning, and reporting. The next inhibiting factor is weather conditions and lack of community participation. Weather conditions in Galung Village as a mountainous area are often unpredictable, with conditions that can hinder various stages of village fund realization. This aligns with Trisnawati's research (2021), which shows that weather constraint factors will also make development work delayed and inconsistent with the work timeline targeted by village government parties. Furthermore, low community participation in village fund planning and supervision causes insufficient involvement in designed programs.

## 5. Conclusion

Based on the research results and discussion, it can be concluded that:

- 1) The effectiveness of village fund management in enhancing development in Galung Village, Barru Regency from 2019-2023 falls into the effective category with a 100% percentage level each year.
- 2) The impact of village funds in enhancing development in Galung Village, Barru Regency is reflected through infrastructure development that has improved accessibility, facility utilization, and quality of life for Galung Village residents. This is demonstrated through increased local economic activities, access to healthcare and educational services, and community solidarity.
- 3) The supporting factors in realizing village funds in Galung Village include clear government policies, technology and information systems. Meanwhile, the inhibiting factors in realizing village funds in Galung Village include insufficient human resource capacity, weather conditions, and lack of community participation.

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