

UDC 332

ANALYSIS OF VILLAGE FUND MANAGEMENT AND COMMUNITY WELFARE IN GIANYAR DISTRICT, INDONESIA

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ABSTRACT

Village Fund is one of the policies that aim to improve the welfare of the Indonesian people. Village fund policy issued in line with Indonesia's development goals in Nawacita, namely development from rural areas. Based on theoretical and empirical facts, the purpose of this study is to analyze (1) The Effect of Tri Hita Karana culture, the role of government, and community participation on village fund management, (2) The Effect of Tri Hita Karana culture, the role of government, community participation, and village fund management on community welfare, (3) The indirect influence of Tri Hita Karana culture, the role of government, and community participation on community welfare through village fund management, and (4) The existence of local village assistants in moderating The Effect of community participation on the village funds management. The location of this research is in Gianyar Regency with 128 respondents. Respondents of this research are representatives of the village government and community representatives in the Gianyar Regency. Data collection methods used were questionnaires and in-depth interviews. This study uses descriptive analysis and structural equation analysis (SEM) with the alternative partial least square PLS. The results of the analysis show that (1) Tri Hita Karana culture, the role of the government, and community participation had a significant effect on the village funds management; (2) Tri Hita Karana culture has no significant effect on community welfare, while the role of government, community participation, and village fund management has a significant impact on community welfare; (3) Tri Hita Karana culture and community participation indirectly significantly influence the welfare of the community through the management of village funds, while the role of the government does not significantly affect the welfare of the community through the village funds management; (4) the presence of local village facilitators moderates community participation in the village funds management.

KEY WORDS

Village fund, community welfare, Tri Hita Karana culture, role of government, community participation.

At the 70th general assembly of the United Nations (UN) agency in New York at the end of September 2015, a new global development concept known as the Sustainable Development Goals (SDGs) was born. Basically the purpose of the SDGs is to increase development so that it can improve the welfare of the world community. Economic development basically aims to improve welfare (Maipita, 2014). Welfare in this case is associated as an individual's ability to achieve satisfaction which is obtained by consuming these goods. There are several ways to obtain an item such as by buying, producing or receiving goods from private or social transfers, as well as public goods (Strengmann-Kuhn, 2005).

Todaro & Smith (2012) cited the concept of community welfare from the United Nation Development Program (UNDP) in which the welfare of the people in a country can be seen from the Human Development Index (HDI) of that country. The disparity in the HDI percentage between rural and urban areas also needs to be considered because this situation shows an imbalance in the ability or capability of the population in the area. Therefore, development in rural areas is the focus of attention of the Indonesian government. The seriousness of developing rural areas was strengthened by the issuance of the Nawacita concept, which was the nine priority agenda in Indonesia's development during the reign of

President Joko Widodo. The 3rd Cita Nawacita explained the seriousness of the Indonesian government in developing rural areas. In line with Nawacita, the Indonesian government then issued a Village Fund policy. Village funds are policies whose funding sources come from the APBD with the aim of developing villages and optimizing village potential. The seriousness of the Indonesian government in alleviating the economic gap between rural and urban areas can be seen from the number of village funds which continues to increase every year.

Table 1 – Village Fund Budget and Average Budget per Village in Indonesia

Year	Village Fund Budget (Trillion Rupiah)	Number of Villages	Average Budget per Village (Million Rupiah)
2015	20,67	73.929	280
2016	46,98	74.571	630
2017	59,72	74.650	800
2018	59,90	74.782	801
2019	70,00	74.953	934
2020	72,00	74.954	961

Source: Directorate General of Fiscal Balance, Ministry of Finance of the Republic of Indonesia (data processed).

The ratio of the percentage of poor people in rural areas is greater than in urban areas. This phenomenon occurs because development in urban areas is faster than in rural areas, so residents in urban areas feel the benefits of the development faster (Fan et al., 2004).

Table 2 – Number and Percentage of Poor Population by Regional Classification in Bali Province 2015-2021

Region Classification	2015		2016		2017		2018		2019		2020		2021	
	thousand souls	%												
urban	109,8	4,3	96,9	3,7	96,9	3,6	94,1	3,3	97,9	3,3	100,4	3,4	125,6	4,1
Rural	86,9	5,4	81,2	5,2	83,2	5,5	77,7	5,4	65,9	4,8	64,8	4,8	72,4	5,5
Urban + Rural	196,7	4,7	178,2	4,3	180,2	4,3	171,8	4	163,9	3,8	165,2	3,8	201,9	4,5

Source: Bureau of Statistics of Province of Bali (2021).

Rural Village funds are one source of village income. Village fund management is carried out within the village financial framework. There are principles that must be followed in order to be able to realize good village fund management, namely transparent, accountable, participatory, as well as orderly and budgetary discipline (Ministry of Finance, 2017). In addition to the principles in the governance of village funds, there are several factors that can affect the governance of village funds. Amartya Sen (2002, in Daniell, 2014) explains that the culture embedded in society has a significant influence on economic behavior, political participation, social solidarity, and values in society. Muers (2018) also explains that the values and culture embedded in society can be an important determining factor in the final outcome of a policy. The culture embedded in the community is the basis for differences in the formation of a public policy between one region and another (Daniell, 2014).

In Balinese life, this cultural value is contained in a concept called Tri Hita Karana. The Tri Hita Karana culture which is the way of life for the Balinese people has 3 (three) elements, namely palemahan which is the harmonization of human relations with the environment, pawongan which is the harmonization of human relations with fellow humans, and Parahyangan, namely the harmonization of human relations with God. These three elements are interrelated with each other so as to form a harmonious way of life for the Balinese people. The Tri Hita Karana culture also views nature as a system with the involvement of God as the soul, humans as actors, and the environment as a vessel. This Tri Hita Karana culture provides the view that humans in living life need a balance between themselves as individuals and God, fellow humans, and the environment (Nugraha & Suryanawa, 2021). The Tri Hita Karana culture can also be an instrument for preventing fraud in the management of village funds (Kurniawan Saputra et al., 2018).

The management of village funds can be influenced by non-economic factors

(Ratwianingsih et al., 2020). The role of village officials is also needed in managing village funds so that they can provide benefits in line with the objectives of the village funds. The involvement and competence of village heads in village fund governance has a positive influence on the performance of village funds (Putri & Yadiati, 2020). Susilowati et al. (2020) in a study conducted found that collaboration between village officials and village communities is very necessary in the allocation of village funds so that it can have a positive impact on village communities. Community participation can be a factor that has a significant impact on the management of village funds. According to Davis (2001), participation is an activity of participation or participation in taking part in certain activities. Arnstein (1969) also explains that community participation activities are the strength of the community. The community can express their aspirations in the process of implementing the village fund management program. To increase community participation and the effectiveness of village development, mentoring activities by expert staff are needed. In the Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration of the Republic of Indonesia Number 18 of 2019 concerning Village Community Assistance, it is explained that village community assistance is a community empowerment activity with village assistance, organization, direction and facilitation. Village local assistants have the task of assisting the village in the administration of village government, village cooperation, development of village-owned enterprises, and village-scale development. Rambe et al. (2020) found changes that occurred in the level of community participation which was initially passive to become more active in village development activities due to the presence of local village facilitators. This positive impact is because the local village assistants act responsively and synergize with the village government through an informal approach by incorporating the values of local wisdom. The Ministry of Villages, Development of Disadvantaged Regions and Transmigration of the Republic of Indonesia (2019) explained that the management of village funds in Bali Province is one of the best in Indonesia. Of all regencies/cities in Bali Province, Gianyar Regency is the regency with village fund management that deserves appreciation. In 2020, Gianyar Regency was awarded the 2nd best district in managing village funds for the 2019 village fund management period (Kasih, 2020). In the following year, Gianyar Regency again received an award in managing village funds, namely being the district with the best village fund management in Bali (Nusa Bali, 2021). The two awards prove that the governance of village funds in Gianyar Regency needs to be studied so that the key to good village fund governance can be identified. The objectives of this study are first, to analyze The Effect of Tri Hita Karana culture, the role of government, and community participation on the management of village funds; second, to analyze The Effect of the Tri Hita Karana culture, the role of government, community participation, and the management of village funds on community welfare; third, to analyze the indirect influence of the Tri Hita Karana culture, the role of government, and community participation on community welfare through the management of village funds; fourth, to analyze the existence of local village assistants in moderating The Effect of community participation on the management of village funds.

LITERATURE REVIEW

Public welfare

According to Law No. 11 of 2009, social welfare is mentioned as a condition when the needs of people's lives to be able to live properly are fulfilled and are able to develop themselves through social administration carried out by the government, local government, and the community. Todaro & Smith (2012) explained that welfare in an area is highly dependent on human, physical, and other resources available in the area. The resources owned by the area will interact with each other in a development process so that economic growth occurs and has an impact on improving the welfare of the people in the area. The increase in welfare in the lower middle class can be seen from the reduction in poverty, the better the level of health, the higher the level of education, and the increase in community productivity. Welfare is a complex concept because it has a relationship between the social,

economic and living environment of the individual. Todaro & Smith (2012) simply explained that the measurement of the level of welfare in the community in an area can be seen from the Human Development Index (IPM). HDI is an important indicator in measuring the success of developing the quality of human life. There are three dimensions that make up the HDI, namely the health dimension, the education dimension, and the economic dimension (Directorate of Statistical Analysis and Development, n.d.).

Village Fund

According to Law no. 6 of 2014 concerning Villages (hereinafter referred to as the Village Law), village funds are defined as funds sourced from the APBN which are transferred through the Regency/City APBD. Village funds are allocated to villages and prioritized for the implementation of development and empowerment of rural communities. The calculation of the village fund budget allocated by the central government is based on the number of villages and the allocation of each village is based on the population, poverty rate, area, and level of geographical difficulty. According to Government Regulation No. 60 of 2014 concerning Village Funds sourced from the State Revenue and Expenditure Budget (APBN), village funds are implemented through activities carried out by means of self-management. The objectives of the village fund policy as described by the Ministry of Finance (2017) are (1) Improving public services in villages, (2) Alleviating poverty, (3) Advancing the economy, (4) Overcoming development gaps between villages, (5) Strengthening community village as the subject of development.

Tri Hita Karana Culture

Tri Hita Karana is one of the elements of Balinese culture that has been passed down from generation to generation. Tri Hita Karana is interpreted by the Balinese Hindu community as three causes of happiness (Sukarma, 2016). Tri Hita Karana culture is a cultural system that contains elements of parahyangan, pawongan and palemahan (Rahayu et al., 2016) which are explained as follows: (1) Parahyangan is a harmonious relationship between humans and God Almighty. This element contains the value of integrity which consists of piety, dedication and honesty, (2) Pawongan is a harmonious relationship between humans and humans. This element contains the value of work ethic, which consists of creativity, working hard at work, respecting time, working in harmony, faithful to promises, acting efficiently and full of initiative, (3) Palemahan is a harmonious relationship between humans and their environment. This element contains the value of environmental sustainability which consists of building, maintaining and securing.

Government Role

Role is defined as a set of levels that are expected to be possessed by people who are domiciled in society. Based on this definition, it can be concluded that the role is an adjustment function that is owned by a person or group who has a position in society. If the definition of this role is related to government functions, it can be explained that the definition of the role of government is a government organization that carries out state duties and regional government functions. This definition is in line with Siagian (2006), in which the state government essentially functions to regulate and serve. The regulatory function is related to the nature of the modern state as a legal state. The service function is related to the nature of the state as a welfare state. The role of the government can be understood as an effort made by the government to regulate or manage the community in a country that aims for the welfare of the community.

Society participation

According to Arnstein (1969), community participation is the strength of the community. Participation is referred to as a retribution of power that allows people who are not capable, removed from the political and economic system to join in the process in the future. Arnstein's (1969) approach to participation is divided into eight levels which are then divided into three categories. First, Nonparticipation, is a category that is at the lowest level in the

participation category. This category consists of (1) Manipulation, and (2) Therapy. Second, Degrees of Tokenism, this category consists of (3) Informing, (4) Consulting, (5) Placation. Third, Degrees of citizen power, which consists of (6) Partnership, (7) Delegated Power, (8) Citizen Control.

Village Local Assistant

Village community assistance is an activity to carry out community empowerment actions through assistance, organization, direction and village facilitation (Ministry of Village, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia, 2019). Mentoring is a strategy commonly used by government and non-profit institutions in an effort to improve the quality and quality of human resources. Assistance is expected to be able to find alternative solutions to problems that are owned by the village. Village community assistance aims to (a) Increase the capacity, effectiveness, and accountability of village government and village development, (b) Increase initiatives, awareness, and participation of rural communities in participatory development, (c) Increase the utilization of village assets and potential resources for welfare and justice, and (d) Improving the synergy of village programs and activities, cooperation in villages and rural areas (Ministry of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia, 2019)

METHODS OF RESEARCH

This research was conducted in all villages in Gianyar Regency. Gianyar Regency. There are two types of data used in this study, namely quantitative data and qualitative data. There are three types of data collection methods carried out in this study, namely observation, structured interview, and in-depth interviews. The population in this study were all village officials and BPD (Village Representative Body) as a form of community participation in every village in Gianyar Regency, Bali Province. The total number of respondents in this study was 128 people with the number of each village apparatus as many as 64 people and the BPD as many as 64 people. The data analysis technique used in this study uses a structural equation model (SEM) with the PLS (Partial Least Square) technique using the SmartPLS application.

RESULTS AND DISCUSSION

Gianyar is one of the regencies in Bali Province. Based on data from the Gianyar Central Statistics Agency (2021), Gianyar Regency is directly adjacent to several regencies/cities and has a coastal area in the south. Bangli Regency is a district directly adjacent to Gianyar Regency in the north. In the west, Gianyar Regency is directly adjacent to Badung Regency and Denpasar City. In the eastern part of the Gianyar Regency it is bordered by Klungkung Regency, while the southern part of the Gianyar Regency area is bordered by the Indonesian Ocean.

Gianyar Regency has 7 sub-districts, namely Blahbatuh District, Sukawati District, Gianyar District, Tampaksiring District, Ubud District, Tegallalang District, and Payangan District. Gianyar Regency has 7 sub-districts, namely Blahbatuh District, Sukawati District, Gianyar District, Tampaksiring District, Ubud District, Tegallalang District, and Payangan District. There are 64 villages and 6 Kelurahan that make up the sub-districts in Gianyar Regency. The villages in Gianyar Regency are divided into 3 village classifications, namely 3 villages belonging to the developing village classification, 20 villages belonging to the independent village classification, and 41 villages being developed villages.

In Figure 2 it is clear that the direction of the relationship between the variables in this study, where in this study there were three exogenous variables, namely Tri Hita Karana culture (X1), the role of government (X2), and community participation (X3), as well as two endogenous variables. , namely the management of the Village Fund (Y1) and community welfare (Y2), and the additional moderating effect of the variable presence of local village assistants (Z).

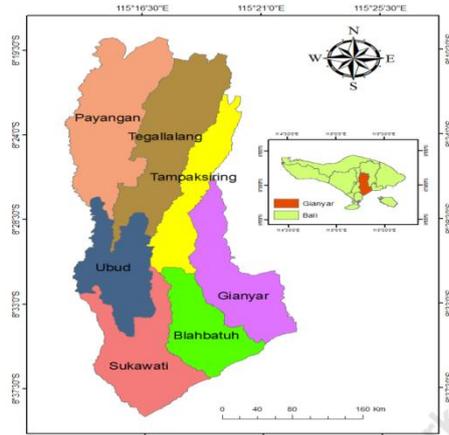


Figure 1 – Gianyar Regency Administrative Map. Source: Gianyar Bureau of Statistics (2021)

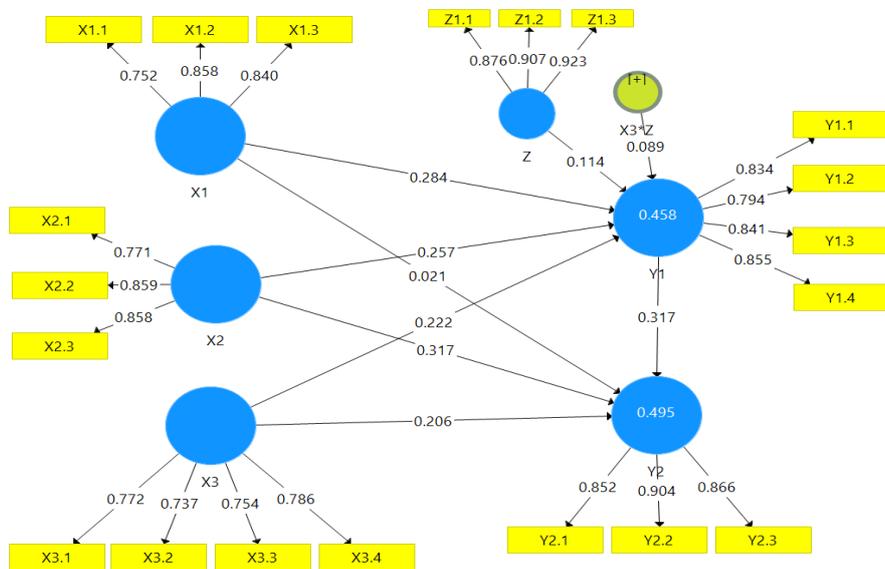


Figure 2 – Structural Model Full of Influence of Village Fund Management on Community Welfare in Gianyar Regency

Table 3 – R-Square Value with Moderating Effect

Variables	R-Square
Public welfare (Y2)	0,495
Village Fund Management (Y1)	0,458

Source: Data processed, 2022.

Table 4 – Direct Effects Between Constructs

Path	Path Analysis	T Statistics	P Values	Info.
X1->Y1	0.284	2.685	0.007	Sig.
X2->Y1	0.257	2.775	0.006	Sig.
X3->Y1	0.222	2.799	0.005	Sig.
Z->Y1	0,114	1.285	0.199	Non Sig.
X3*Z -> Y1	0.089	0.816	0.415	Non Sig.
X1->Y2	0.021	0.220	0.826	Non Sig.
X2->Y2	0.317	2.474	0.014	Sig.
X3->Y2	0.206	2.405	0.017	Sig.
Y1->Y2	0.317	3.055	0.002	Sig.

Source: Data processed, 2022.

In Table 3. It can be seen that the R-Square value for the Village Fund Management variable (Y1) is 0.458. This means that the variability of Village Fund Management can be explained by the variables of Tri Hita Karana Culture, Government Role, Community Participation, and Moderation Effects as much as 45.8 percent and the remaining 54.2 percent is influenced by other variables not included in the research model. While the R-Square value for the Community Welfare variable (Y2) is 0.495, which means that as much as 49.5 percent of the variability in Community Welfare can be explained by the Tri Hita Karana Culture variable, Government Role, Community Participation. The remaining 50.5 percent is influenced by other variables not included in the research model.

The Effect of Tri Hita Karana Culture, Government's Role, and Community Participation on Village Fund Management

Tri Hita Karana culture (X1) significantly influences Village Fund Management (Y1) with a path coefficient of 0.284 and a p-value of 0.007. The positive path coefficient value indicates that there is a positive influence of the Tri Hita Karana culture (X1) on the management of village funds (Y1). The value of this path coefficient can also be interpreted that the better the implementation of the Tri Hita Karana culture, the better the management of village funds that occurs. The results obtained in this study are in line with other studies conducted on Tri Hita Karana culture. Saputra & Sanjaya (2019) found that the Tri Hita Karana culture can prevent fraud in the management of village funds in Bali. The results of an in-depth interview with Darmayasa (Chairman of the Sayan Village BPD), on October 18, 2021 in Sayan Village, are as follows.

“Tri Hita Karana is a traditional value that has existed in Balinese people's lives so far. These values certainly aim to direct us as humans to live in harmony and be responsible for the tasks we get. I feel that the Tri Hita Karana values are always applied, for example like today's meeting, or yesterday when we held a meeting at the village office to discuss village funds.”

The results of this in-depth study are in line with Rao & Walton (2004) where culture is seen as a relationship formed between individuals and groups or between individuals in a group, as well as between existing ideas and perspectives. The Tri Hita Karana culture, if linked to village fund management activities, can act as a link between the norms contained in the community and regulations from the central government regarding procedures for managing village funds. Parahyangan can encourage individuals who are involved in managing village funds not to do things that are against the teachings of their religion, such as embezzling money or creating programs that only benefit themselves and only. Pawongan can encourage individuals when managing village funds should be for the benefit of the village community. Palemahan encourages that when the village fund management process should be carried out by considering the surrounding environment so that natural sustainability is maintained. The collaboration between the cultural values of Tri Hita Karana and this government regulation shows that the Gianyar district government applies a combination of national values and customary values in government activities, especially in terms of village fund management activities.

The role of the Government (X2) significantly influences Village Fund Management (Y1) with a path coefficient of 0.257 and a p-value of 0.006. This positive path coefficient value indicates that there is a positive influence that occurs from the relationship between the Government's Role (X2) on Village Fund Management (Y1). The value of this path coefficient can also be interpreted that the better the government performs its role in government activities, the better the management of village funds will also be. This result is in line with the research conducted by Susilowati et al. (2020) who explained that the government has an important role in managing village funds. Research by Syafingi et al. (2020) also shows the important role of the government in the use of village funds, in which the government needs to be involved from the initial stages of planning to execution of the program. This result is also strengthened by an in-depth study conducted on research respondents. This result is also strengthened by an in-depth study conducted with Dirka (Head of Bressela Village), on November 9, 2021 in Bressela Village, as follows.

“The village government must not use the village funds arbitrarily, it must be in accordance with the implementation instructions and technical instructions that have been determined.”

Certain provisions regarding the use of village funds such as implementation instructions and technical guidelines can make the relevant government focus more on this in managing village funds. This clear provision also makes it easy for residents who want to question the clarity of the use of village funds to know which direction to prioritize the use of village funds. The provisions that have been made by the central government also serve as guidelines for the village government to manage village funds in accordance with the role of the village government and refer to the guidelines for the use of village funds which are of course adapted to village conditions. The government's role in managing village funds can be said to follow the guidelines of the central government. Despite finding difficulties as expressed by respondents, the government can overcome them by prioritizing tasks from the center first and then following the priority classification of village needs. When the government has followed the rules for managing village funds and carrying out their roles as they should, the management of village funds in this way can produce a maximum and positive impact for the village community.

Community Participation (X3) significantly affects Village Fund Management (Y1) with a path coefficient of 0.222 and a p-value of 0.005. This positive path coefficient value indicates that there is a positive influence that occurs from the relationship of Community Participation (X3) on Village Fund Management (Y1). The value of this path coefficient can also be interpreted that the greater the involvement of the community in village development activities, the better the management of village funds in the village will be. This result is in line with previous research conducted by other researchers such as Susilowati et al. (2018) which explains that community participation is very influential in managing village funds, especially direct participation. This direct participation shows that the community has control power over the institution in charge of managing village funds. Fadhal et al. (2021) also argues that direct community participation has a major influence on the management of village funds. In one type of direct participation activity mentioned by Fadhal et al. (2021) is through musrenbang activities. One of the research respondents also had the same opinion regarding community participation in managing village funds. The results of an in-depth interview with Subayasa (Head of Village Administration of Gianyar Regency) on January 13, 2022 in Gianyar, are as follows.

“...Usually we hold a meeting at the village office. Attending representatives from the community are from the traditional group, the official kelian, and also youth representatives. We hope that they can convey how the village fund program is planned, so that the people in the village are not confused anymore.”

The results of the in-depth study as well as the results of research that are in line with previous studies show that community participation has a significant impact on the management of village funds. Community involvement in village programs is indeed very important, given that these programs are intended for the community. If the community is not involved or the community is passive in the participatory activity, then the planned program may not be in accordance with the conditions experienced by the community and only a part of the community will fully benefit from the program.

The Effect of Tri Hita Karana Culture, Government's Role, Community Participation, and Village Fund Management on Community Welfare

Tri Hita Karana culture (X1) has no significant effect on the variable of Community Welfare (Y2). The path coefficient value of the Tri Hita Karana Culture variable is 0.021 with a p-value of 0.826. From the results of this calculation, it can be explained that the Tri Hita Karana Culture variable (X1) does not significantly affect the welfare of the community (Y2). These results indicate that no matter how big the changes that occur in the application of Tri Hita Karana culture, it will not significantly affect the welfare of the community. The opinion about culture that does not directly affect welfare was once expressed by Amartya Sen (in Rao & Walton, 2004). Amartya Sen views culture as a constitutive part of life and a shaping

factor in how to value life. People with different cultural experiences demonstrate the capacity to adapt to new demands and opportunities in the development process. Amartya Sen's view shows that culture cannot actually stand alone to improve people's welfare. Other elements need to be influenced by culture so that it can have an impact on people's welfare.

The role of the government (X2) significantly affects the welfare of the community (Y2) with a path coefficient of 0.317 and a p-value of 0.014. This positive path coefficient value indicates that there is a positive influence that occurs from the relationship between the Government's Role (X2) on Community Welfare (Y2). The value of this path coefficient can also be interpreted that the better the government performs its role in government activities, the more prosperous the village community will be. The results obtained are in line with research by Hunt (2012) which explains that the government has a major role in improving people's welfare. The government has the authority to make policies and decisions that have an impact on people's lives. In this study, the village government, namely the village apparatus, is the party that has this authority.

Community Participation (X3) has a significant effect on Community Welfare (Y2) with a path coefficient of 0.206 and a p-value of 0.017. This positive path coefficient value indicates that there is a positive influence that occurs from the relationship between Community Participation (X3) on Community Welfare (Y2). The value of this path coefficient can also be interpreted that the greater the involvement of the community in village development activities, the welfare of the community will increase. Community involvement from the planning stage to program supervision because this is a control power that the community has over the government (Susilowati et al., 2018). The positive relationship between community participation and community welfare is also confirmed by the opinion of one of the research respondents. The results of an in-depth interview with Subayasa (Head of Village Administration of Gianyar Regency) on January 13, 2022 in Gianyar, are as follows.

"...it is necessary to have community involvement if you want maximum results to improve community welfare. For example, in Taro Village, the community is already aware of the results of their involvement in village activities. Hopefully this can spread to other villages in Gianyar."

The results of the in-depth study and the test results obtained strengthen that the community has an important influence in improving welfare in their area or region. Therefore, it is necessary to carry out socialization or invitations so that more and more people are involved in programs in their regions. The more people who take part, the easier it is for the government or policy and program makers to find the potential of the area, so it will be easier to develop so that the community can directly feel the benefits of developing this potential..

Table 5 – Indirect Effects Between Constructs with Variable Mediation on Village Fund Management

Path	Original Sample	T Statistics	P Values	Info.
X1->Y1->Y2	0,090	2,311	0,021	Sig.
X2->Y1->Y2	0,070	1,828	0,068	Non Sig.
X3->Y1->Y2	0,082	1,979	0,048	Sig.

Source: Data processed, 2022.

Village Fund Management (Y1) has a significant effect on Community Welfare (Y2) with a path coefficient of 0.317 and a p-value of 0.002. This positive path coefficient value indicates that there is a positive influence that occurs from the relationship between Village Fund Management (Y1) on Community Welfare (Y2). The value of this path coefficient can also be interpreted that the better the management of village funds, the welfare of the community will increase. Village funds can stimulate village economic growth (Dwitayanti et al., 2020) and improve village infrastructure (Marhaeni & Sudibia, 2020) which can then have an impact on improving the welfare of rural communities. Village funds can also strengthen the economy in areas with low income (Marhaeni et al., 2021). So that the change in the allocation of the village fund program during the Covid-19 pandemic is one of the right choices, one of which is by providing direct cash assistance to affected communities

(Marhaeni et al., 2022). The decline in people's incomes due to the effects of the pandemic is a condition that needs to be addressed immediately so that the wheels of the economy can still turn. Therefore, the use of village funds in accordance with village needs is the result of collaboration between the village government and the village community.

Indirect Influence of Tri Hita Karana Culture, Government Role, and Community Participation on Community Welfare through Village Fund Management

The Tri Hita Karana culture (X1) indirectly significantly influences the welfare of the community (Y2) through the management of village funds (Y1) in Gianyar Regency with a p-value of 0.021. These results mean that there is an increase in the implementation of the cultural values of Tri Hita Karana, making the management of village funds optimal, which then leads to an increase in the welfare of the community. The results obtained by this study are in line with the views of Amartya Sen (in Rao & Walton, 2004), which explains that culture cannot directly affect people's welfare. The Effect of culture on community welfare requires an intermediary variable, as used in this study is the management of village funds. The values contained in the Tri Hita Karana culture basically guide the Balinese people to achieve harmonization in life. The Tri Hita Karana culture is embedded in the life of the village community, especially the village community in Bali. There are two types of villages in Bali, namely traditional villages and official villages. An official village is a village led by a village head or perbekel. Traditional villages are led by village leaders known as prajuru. The most obvious Tri Hita Karana cultural values are in the harmonization of relations between fellow villagers or in Tri Hita Karana culture known as pawongan. Balinese people are very obedient to customary sanctions, because the power of shame possessed by these customary sanctions is enough to affect the lives of Balinese people. However, the power of this customary sanction has a positive influence in shaping harmonization in social life, especially rural communities in Gianyar Regency.

The role of the government (X2) indirectly does not significantly affect the welfare of the community (Y2) through the management of village funds (Y1) with a p-value of 0.068. These results mean that the government's role does not significantly affect the management of village funds which then has an impact on the welfare of the community. Referring to Hair et al. (2017) regarding the mediation category, the condition of the indirect influence that occurs on the government's role on the welfare of the community belongs to the non-mediation category, direct only nonmediation type or can also be called partial mediation. This result means that the role of the village government as a regulator, motivator, and stabilizer can have a direct effect on the welfare of the community even without mediation from the management of village funds.

Community participation (X3) indirectly has a significant effect on community welfare (Y2) through the management of village funds (Y1) in Gianyar Regency with a p-value of 0.048. These results mean that an increase in community participation in activities in the village can optimize the management of village funds which then causes an increase in community welfare. This is in line with Arnstein's (1969) view, regarding community participation which is the strength of society. Participation can also be said as a retribution of power that allows people who are not capable, removed from the political and economic system to join the process in the future. The most effective community participation in managing village funds is the type of direct participation (Susilowati et al., 2018). Direct participation according to Arnstein (1969) is in the third category, namely the degree of citizen power which has three levels. The first level is partnership which allows negotiation and participation from the community. The second and third levels are delegated power and citizen control, giving the entire community so that the marginalized participate in the decision-making process. The last two levels are the highest level of this type of participation. This type of participation is like delegated power which is commonly used by the community in Gianyar Regency, for example, when there is a meeting about a program, it is attended by representatives such as BPD and kelian Dinas and/or Kelian Banjar as community representatives.

Table 6 – Value of f2 Moderating Variable

	X1	X2	X3	Y1	Y2	Z	X3*Z
X3*Z				0,006			

Source: Data processed, 2022.

In Table 6 it can be seen that the moderating effect between the Community Participation variable and the Presence of Local Village Facilitators (X3*Z) has an effect on the Village Fund Management variable (Y1) of 0.006. Kenny (2016, in Hair et al., 2017) gives a classification of effect size values of 0.005 meaning the moderating effect is small, 0.01 means moderate effect, 0.025 means large effect. The magnitude of the effect size (f2) is more than 0.005 and less than 0.01 which indicates that the effect of the moderating variable has a small effect even though the value of The Effect is positive. The results of the research data test are also reinforced by the opinions of respondents regarding the involvement of local village facilitators in increasing community participation. The results of an in-depth interview with Rupa (Chairman of the Taro Village BPD), on October 21, 2021 in Taro Village, are as follows.

“With the existence of local village assistants, the community becomes more aware and safer in implementing programs whose sources of funds are from the Village Fund. People are excited and their fear of misuse of the budget is gone”

The results of the in-depth study that have been carried out provide an understanding of the conditions that occur in the field, in which the presence of local village assistants can increase community participation. The existence of local village assistants is important considering that village local assistants have a main task that is very closely related to village development.

CONCLUSION

Based on the results of the research, discussion, and research objectives regarding the analysis of village fund management and community welfare in Gianyar Regency, the following conclusions are obtained. The Tri Hita Karana culture, the role of government, and community participation have a positive and significant impact on the management of village funds in Gianyar Regency. The Tri Hita Karana culture does not have a significant influence on the welfare of the community. The role of government, community participation, and management of village funds have a positive and significant impact on community welfare. The management of village funds fully mediates the relationship of Tri Hita Karana's culture to the welfare of the community. The existence of local village facilitators moderates community participation in managing village funds. These results mean that the role of local village facilitators is quite important in increasing community participation to take part in village fund management activities.

There are several things that the author can make suggestions as a follow-up to the results of the study, namely as follows. The government is expected to pay more attention to the cultural sector in government activities and its relation to policies that are specifically directed at rural communities. The role of the village government in the preparation of village fund programs needs further attention. Community participation is an important element in policies that are intended for these communities, as well as village fund policies.

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