

Effectiveness of the Village Apparatus Empowerment Program in Village Financial Management in Mandailing Natal Regency

Anjur Brutu¹, Syafruddin Ritonga¹, Yanhar Jamaluddin¹

¹Master of Public Administration Study Program Postgraduate Program University of Medan Area, Indonesia

Email: anjurbrutu7@gmail.com

Abstract *This study aims to analyze the effectiveness of the village apparatus empowerment program in village financial management in Mandailing Natal Regency. This empowerment program is designed to increase the capacity of village officials in managing and supervising the allocation of village funds to be more transparent and accountable. The method used in this study is a qualitative approach with case studies. Data collection was carried out through in-depth interviews, participatory observations, and documentation involving village officials, program assistants, and village communities. Data analysis was carried out using thematic analysis techniques. The results show that the effectiveness of the empowerment program is influenced by four main indicators, namely communication, resources, disposition, and organizational structure. Effective communication between the district government, assistants, and village officials supports the understanding of village financial management. However, there are obstacles in delivering information to the public. Limited human resources and technology are obstacles in the implementation of the program, especially in remote areas. The positive disposition of most village officials in applying the principles of transparency and accountability has had a positive impact, although there is resistance to change among more senior village officials. A clear organizational structure and good coordination between village officials have been proven to increase the effectiveness of village financial management. The conclusion of this study is that the success of the village apparatus empowerment program in village financial management is highly dependent on the synergy between communication factors, resources, disposition, and organizational structure.*

Keywords: *Effectiveness, Empowerment of Village Apparatus, Financial Management*

Received: December 3, 2024

Revised: December 26, 2024

Accepted: January 27, 2024

INTRODUCTION

Village financial management is one of the main pillars in realizing inclusive and sustainable development at the local level (Latifah & Abdullah, 2023). Villages, as the smallest government units, have a strategic role in organizing development that has a direct impact on the community (Hijri et al., 2020). However, the success of village financial management is highly dependent on the capacity of the village apparatus that manages it. In Mandailing Natal Regency, challenges in village financial management are a major concern, given the complexity of financial administration and the need to ensure accountability and transparency. The village apparatus empowerment program has been designed as an effort to increase the capacity of human resources at the village level (Nurkomala et al., 2023; Kariono, et al., 2023; Heriyati et al., 2021). The program not only aims to provide technical training but also instill the values of honesty and

professionalism in financial management. With village funds getting larger every year, the risk of financial misuse also increases, so village officials need to be empowered to face this challenge.

Mandailing Natal Regency is one of the regions with a significant number of villages in Indonesia, making it the right laboratory to assess the effectiveness of village apparatus empowerment programs (Rangkuti & Siregar, 2023; Lubis, 2021). The district has cultural, social, and geographical diversity that reflects the complexity of the challenges faced by villages in Indonesia (Hakim, 2019). Therefore, a study on the effectiveness of village apparatus empowerment programs in village financial management in this region is very relevant. Good village financial management requires a deep understanding of financial regulations, transparency, and good governance principles (Megasyara & Imawan, 2023). However, many village officials in Mandailing Natal still have limitations in understanding the regulations that continue to develop. In addition, some village officials have not fully mastered information technology which is increasingly important in modern financial management.

Through the empowerment program, village officials are provided with continuous training and assistance (Dushkova & Ivlieva, 2024; Kania et al., 2021). This program covers various aspects, ranging from budget management, financial records, to reporting in accordance with village government accounting standards (Qadri et al., 2023). Thus, this program not only improves technical competence but also strengthens the managerial ability of village officials. The effectiveness of the empowerment program can be measured from the extent to which the village apparatus is able to implement the knowledge and skills gained in village financial management (Anisa et al., 2024). Success indicators include improving the quality of financial reports, reducing audit findings, and increasing public trust in village officials (El Badlaoui et al., 2021). In addition, the success of the program is also reflected in how villages in Mandailing Natal are able to carry out development programs in a more transparent and accountable manner.

This is expected to ensure an increase in the capacity of the village apparatus in creating excellent public services, as well as creating legal certainty, transparency and public accountability, starting from the district, sub-district to village levels. The programs and forms of activities of the Mandailing Natal Community and Village Empowerment Office (DPMD) can be seen in the following table:

Table 1. Programs and Activities of the Mandailing Christmas Community and Village Empowerment Office in 2019

Program	Activities	Indicators Goal
Capacity Building of Village Apparatus	DPMD Program Coordination and Socialization Meeting	Acceleration information DPMD Program (Rakor)
	Apparatus Development and Village/Village Administration Arrangement	Village/Village Administration Arrangement (Village/Kel)
	Evaluation of Village and Village Development	Competition Achievements Three big level Province and ten big level Regional/National (Province/Regional)
	Training of Village Apparatus in the Field Village Financial Management	Number of trainees (People)
	Assistance Village financial management	ADD and DD Achievements (Report)

From the table data above, it shows that there are 5 activities carried out to increase the capacity of village apparatus in village financial management at the Mandailing Natal Regency Community and Village Empowerment Office in carrying out their duties and functions and improving the governance of village apparatus.

However, the success of this program is inseparable from various challenges. One of the main challenges is the low level of education of some village officials, which can hinder the knowledge transfer process. In addition, local cultural factors also affect how village officials receive and implement training materials (Gai et al., 2020). The difference in the rate of program adoption in different villages indicates the need for a more contextual and local needs-based approach. The Mandailing Natal Regency Government plays an important role in supporting the success of this program. The commitment of local governments to provide resources, both in the form of budgets and experts, has a great influence on the quality of the implementation of the village apparatus empowerment program. Collaboration with various parties, including universities and civil society organizations, is also a key element in strengthening this program.

In addition, the implementation of the village apparatus empowerment program in Mandailing Natal can provide valuable lessons for other regions in Indonesia. The experience of this district can be a model for the development of similar programs in areas with similar characteristics. By sharing best practices, it is hoped that all villages in Indonesia can improve their financial governance. As a research effort, this study aims to evaluate the effectiveness of the village apparatus empowerment program in village financial management in Mandailing Natal Regency. The research methods used involve quantitative and qualitative approaches to get a comprehensive picture of the success of the program. Data was collected through surveys, in-depth interviews, and analysis of village financial documents.

The results of this study are expected to provide applicable recommendations to improve the quality of empowerment programs in the future. In addition, the findings of the study can also serve as a reference for policymakers in designing more effective and sustainable interventions at the village level. In conclusion, the effectiveness of the village apparatus empowerment program is very important to ensure transparent, accountable, and community-oriented village financial management. Mandailing Natal Regency, with all its potential, has the opportunity to become an example in good village financial management through the implementation of the village apparatus empowerment program.

METHODS

This study uses a qualitative approach with the aim of obtaining an in-depth understanding of the effectiveness of the village apparatus empowerment program in village financial management (Sutopo, 2002). This approach was chosen because it is qualitatively able to explore the experiences, perceptions, and subjective views of the informants regarding the implementation and impact of the program. This type of research is a case study that focuses on specific contexts in Mandailing Natal Regency. The case study allows researchers to explore in depth how the village apparatus empowerment program is implemented and how it impacts village financial management in the region.

The research was conducted in several villages in Mandailing Natal Regency. The villages are selected based on certain criteria, such as: Participation of village officials in empowerment programs, The level of implementation of empowerment programs, and Village financial management performance.

The subjects of the study are village officials, including village heads, village secretaries, and village treasurers, who have participated in empowerment programs. In addition, this research also involves other parties, such as: village communities (to explore their perceptions of transparency and accountability in village financial management), The assistance team of the village apparatus empowerment program, and related local government officials, such as the Village Community Empowerment Office (DPMD). The data collection techniques used in this study are (Jogiyanto Hartono, 2018): In-depth Interview: Interviews are conducted with village officials, program assistants, and the community to understand the experiences, challenges, and impacts of empowerment programs on village financial management. Participatory Observation: The researcher directly observes village financial management activities and the implementation of empowerment programs to understand the dynamics and practices that occur. Documentation:

The researcher collected secondary data in the form of village financial reports, training documents, empowerment programs, and relevant policies to strengthen the analysis.

The main instrument in this study is the researcher himself who acts as a data collector. In addition, semi-structured interview guidelines are also used to ensure that the data obtained is in accordance with the research objectives. Informants are selected by purposive sampling, which is based on certain criteria that are relevant to the research objectives. The determination of the informant considers: The role of informants in village financial management, their experience in participating in empowerment programs, and Their involvement in the village financial decision-making process. The data obtained were analyzed using thematic analysis techniques. The analysis process includes: Data Reduction: Summarize and simplify relevant data. Coding: Identifying key themes from interview, observation, and documentation data. Categorization: Grouping themes based on aspects of the effectiveness of empowerment programs, such as technical competence, transparency, and accountability. Drawing conclusions: Preparing data interpretations to answer research objectives.

RESULTS AND DISCUSSION

Communication in the village apparatus empowerment program plays an important role in conveying the information, objectives, and procedures of the program to the village apparatus. The study found the following: Successful inter-stakeholder communication: Communication between n district governments, program facilitators, and village officials generally goes well. The program facilitators actively provide socialization regarding village financial management in accordance with the latest regulations. Communication barriers: Although most village officials understand the training material, there are still difficulties in conveying information to the village community, especially related to transparent financial reporting. This obstacle is caused by the limited ability of village officials to use information technology and the lack of open discussion habits at the village level. Effectiveness of communication media: Empowerment programs utilize a variety of media, such as face-to-face training, guidebooks, and WhatsApp groups. However, not all village officials actively use this media due to time constraints and lack of motivation.

Effective communication is the main foundation in the implementation of the village apparatus empowerment program. The results of the study show that communication between local governments, program assistants, and village officials generally goes well, especially in conveying information about village financial management regulations. This supports the opinion (Lasswell, 1971) that clear and consistent communication can affect the level of understanding and acceptance of policies at the local level. However, communication barriers were found in conveying information to the village community. This is in line with research (PRIMARY, 2019) who found that village officials often face difficulties in implementing the principle of transparency due to a lack of communication skills and the habit of open discussion. To overcome this, the empowerment program needs to provide special training related to public communication so that village officials are more confident in delivering financial reports transparently to the community.

The availability of resources, both human and material resources, is a determining factor in the success of the empowerment program. The study found: Competence of village officials: Most of the village officials who participated in the program showed an increased understanding of village financial management, especially in recording and reporting budgets. However, there are still village officials who find it difficult, especially those with low educational backgrounds. Availability of facilities: Facilities such as computers, internet, and village accounting software are available in some villages. However, villages in remote areas face limited internet access, so the financial reporting process is often delayed. Availability of companions: Companions of empowerment programs are considered quite competent and responsive in helping village officials. However, the ratio of the number of companions to the number of villages served is considered inadequate, so that companions cannot provide optimal attention in each village.

The availability of resources, both human and material, greatly affects the success of the empowerment program. The results of the study show that village officials who have low educational backgrounds or limited technology face difficulties in implementing effective financial management. This is consistent with the findings (Fahri, 2017) which emphasized that education levels and access to technology play an important role in increasing the capacity of village financial management. In addition, the study found that villages in remote areas face limitations in technological facilities such as the internet and accounting software. This condition hinders the timely and standard reporting process. These findings support the theory of Human Capital from (Becker, 2009) which states that investment in improving human resources and technology can increase organizational productivity. Therefore, local governments need to prioritize the procurement of adequate technological facilities in remote villages.

Disposition refers to the attitude and commitment of village officials in implementing the knowledge obtained from the empowerment program. The findings in this indicator include: Motivation of village officials: Most village officials show enthusiasm in participating in training and applying the knowledge gained. This can be seen from the increasing number of financial statements that are prepared on time and in accordance with standards. Resistance to change: Some village officials tend to be reluctant to change their old practices, such as manual record-keeping and lack of openness in financial statements. This attitude is especially seen in village officials who are older or have been in office for a long time. Community support: Village communities are starting to show greater trust in village officials who participate in empowerment programs, especially when village officials are transparent in managing village funds.

The disposition or attitude of village officials in carrying out empowerment programs shows significant variations. Most of the village officials have a high motivation to apply the knowledge they have acquired, but resistance to change is still found, especially among long-serving village officials. This attitude can be attributed to the Diffusion Innovation theory of (Orr, 2003), which states that the adoption of innovation takes time and is influenced by individual characteristics, including openness to change. These findings are also supported by research (Savitri et al., 2024) which states that resistance to change often arises due to a lack of deep understanding or discomfort in abandoning old habits. To address this, empowerment programs need to be supported by more intensive behaviour change strategies, such as long-term mentoring and the provision of incentives for village officials who successfully implement the principles of transparency and accountability.

The organizational structure of the village, including the division of tasks and roles, affects the effectiveness of the implementation of the empowerment program. The findings related to this indicator are as follows: Clear division of tasks: Villages with a clear division of tasks between village officials (e.g., the treasurer focuses on financial records and the secretary on the preparation of reports) show better results in financial management. Limited organizational capacity: Some villages experience obstacles in managing an organizational structure that is too simple. For example, one village apparatus must concurrently perform many tasks, so that financial management becomes less than optimal. Internal coordination: Villages with good coordination between village officials tend to be more effective in carrying out financial management and completing timely reporting. On the other hand, villages with internal conflicts often experience delays in the implementation of the program.

The organizational structure of the village also affects the effectiveness of financial management. This study shows that villages with a clear division of tasks and good internal coordination tend to be more effective in managing village finances. On the other hand, villages that have a simple organizational structure or internal conflicts often face obstacles in the implementation of empowerment programs. These findings support the view (Mintzberg, 1979) which states that a clear organizational structure can increase efficiency and effectiveness in the implementation of tasks. In addition, this study is consistent with the findings of (Fahri, 2017) which shows that internal conflicts can hinder village financial management due to the lack of

synergy between village officials. Therefore, it is necessary to strengthen the managerial capacity of village officials through leadership training and conflict management.

The results of this study are also consistent with the findings (Afriansyah et al., 2022) which states that the success of the village apparatus empowerment program in village financial management is influenced by synergy between actors, access to resources, and individual commitment in carrying out tasks. However, this research provides additional insights into the importance of local contexts, such as culture and technological accessibility, which are often overlooked in the implementation of empowerment programs.

CONCLUSION

Based on the results of the analyzed research, it can be concluded that the effectiveness of the Village Apparatus Empowerment Program in Village Financial Management in Mandailing Natal Regency is highly dependent on four main indicators, namely communication, resources, disposition, and organizational structure. In terms of communication, this program has succeeded in conveying information about village financial management regulations to village officials. However, there are obstacles in conveying financial transparency to the village community, which is caused by limited public communication skills and the habit of open discussion. Therefore, more in-depth training related to public communication is needed to support better transparency. In resource indicators, the increase in the competence of village officials who participated in the training showed a positive impact on their ability to manage village finances. However, there are still villages that face limited technological facilities, especially in remote areas. The absence of internet access and modern accounting tools is a significant obstacle that affects the speed and accuracy of financial reporting. Investment in human resources and technological infrastructure is an urgent need to support the success of this program. From the aspect of disposition, the majority of village officials showed a positive attitude towards the empowerment program, especially in implementing the knowledge obtained. However, resistance to change is still found, especially among village officials who have been in office for a long time or are less open to innovation. A more personalized approach through long-term mentoring and incentives can help overcome this resistance and encourage the application of better accountability principles. On organizational structure indicators, villages with a clear division of tasks and good coordination show greater success in managing village finances. On the other hand, villages with simple organizational structures and internal conflicts experience difficulties in implementing empowerment programs optimally. This shows the need to strengthen village organizational management through leadership training and conflict management. Overall, this study emphasizes the importance of a holistic approach in empowering village apparatus. The synergy between effective communication, adequate resource provision, the formation of a positive attitude towards change, and a solid organizational structure is the main key to the success of transparent and accountable village financial management. As implications, local governments need to pay more attention to local contexts, such as culture, education levels, and technological infrastructure, in designing and implementing empowerment programs. With integrated efforts, village financial management in Mandailing Natal Regency is expected to be an effective and sustainable model for other regions in Indonesia.

REFERENCES

- Afriansyah, B., Meriana, M., & Paddery, P. (2022). Akuntabilitas Pengelolaan Keuangan Desa (Studi Kasus Di Kabupaten Rejang Lebong). *Jurnal Akuntansi STIE Muhammadiyah Palopo*, 8(2), 68–78. <https://dx.doi.org/10.35906/jurakun.v8i2.1065>
- Anisa, B. M. N., Noor, I., & Nugroho, G. W. (2024). Efektivitas Pengelolaan Dana Desa Dalam Pemberdayaan Masyarakat Di Kecamatan Jampangkulon. *As-Syirkah: Islamic Economic & Financial Journal*, 3(3), 1665–1687. <https://dx.doi.org/10.35906/jurakun.v8i2.1065>
- Becker, G. S. (2009). *Human capital: A theoretical and empirical analysis, with special reference to education*. University of Chicago press.

- Dushkova, D., & Ivlieva, O. (2024). Empowering communities to act for a change: A review of the community empowerment programs towards sustainability and resilience. *Sustainability*, 16(19), 8700. <https://doi.org/10.3390/su16198700>
- El Badlaoui, A., Cherqaoui, M., & Taouab, O. (2021). Output indicators of audit quality: A framework based on literature review. *Universal Journal of Accounting and Finance*, 9(6), 1405-1421.
- Fahri, L. N. (2017). Pengaruh pelaksanaan kebijakan dana desa terhadap manajemen keuangan desa dalam meningkatkan efektivitas program pembangunan desa. *Jurnal Publik: Jurnal Ilmiah Bidang Ilmu Administrasi Negara*, 11(1), 75-88.
- Gai, A. M., Witjaksono, A., & Maulida, R. R. (2020). *Perencanaan dan Pengembangan Desa*. Dream Litera Buana.
- Hakim, R. (2019). *Pembinaan karakter siswa SMP Negeri 1 Siabu Kecamatan Siabu Kabupaten Mandailing Natal*. IAIN Padangsidimpuan.
- Heriyati, P., Kalumbang, Y. P., & Dewanti, R. (2021, April). Village library for sustainable community empowerment program case: Village library at Tirtomoyo Village Pakis, Malang District, East Java. In *IOP Conference Series: Earth and Environmental Science* (Vol. 729, No. 1, p. 012138). IOP Publishing. <https://doi.org/10.1088/1755-1315/729/1/012138>
- Hijri, Y. S., Kurniawan, W., & Hilman, Y. A. (2020). Praktik Penyusunan Peraturan Desa (Perdes) sebagai Penguatan Desa Tangguh Bencana di Kabupaten Malang. *Amalee: Indonesian Journal of Community Research and Engagement*, 1(1), 1-11.
- Jogiyanto Hartono, M. (2018). *Metoda pengumpulan dan teknik analisis data*. Penerbit Andi.
- Kania, I., Anggadwita, G., & Alamanda, D. T. (2021). A new approach to stimulate rural entrepreneurship through village-owned enterprises in Indonesia. *Journal of Enterprising Communities: People and Places in the Global Economy*, 15(3), 432-450. <https://doi.org/10.1108/JEC-07-2020-0137>
- Kariono, Badaruddin, & Humaizi. (2021). A study of women's potential and empowerment for accelerating village development in Serdang Bedagai district, North Sumatera Province. *Community, Work & Family*, 24(5), 603-615.
- Lasswell, H. D. (1971). *A pre-view of policy sciences*. American Elsevier.
- Latifah, E., & Abdullah, R. (2023). Prespektif Maqashid Syariah: Peran Ekonomi Hijau Dan Biru Dalam Mewujudkan Sustainable Development Goals. *JISEF: Journal Of International Sharia Economics and Financial*, 2(01), 1-22. <https://doi.org/10.62668/jisef.v2i01.1128>
- Lubis, S. H. (2021). The Implementation of Local Government Policies in Improving the Quality of Islamic Education in Mandailing Natal District. *Britain International of Humanities and Social Sciences (BioHS) Journal*, 3(3), 413-421. <https://doi.org/10.33258/biohs.v3i3.513>
- Megasyara, I., & Imawan, A. (2023). Implementasi Good Government Sebagai Upaya Pencegahan Fraud Dalam Pengelolaan Keuangan Desa. *Jurnal Reviu Akuntansi Dan Keuangan*, 13(2), 512-528. <https://doi.org/10.22219/jrak.v13i2.23525>
- Mintzberg, H. (1979). *The structure of organizations: A synthesis of the research*. Prentice-Hall.
- Nurkomala, N., Diswandi, D., & Fadliyanti, L. (2023). The role of community empowerment institutions for village development. *European Journal of Development Studies*, 3(3), 76-82. <https://doi.org/10.24018/ejdevelop.2023.3.3.268>
- Orr, G. (2003). Diffusion of innovations, by Everett Rogers (1995). Retrieved January, 21, 2005.

- PRATAMA, G. P. (2019). *Strategi Komunikasi Pemerintah Desa dalam Program Pemberdayaan Masyarakat (Studi Kasus Komunikasi Pemerintah dalam Sosialisasi Penerapan Media Baru di Desa Dlingo, Kec. Dlingo, Kab. Bantul)*. Universitas Gadjah Mada.
- Qadri, R. A., Yustiani, S., & Ambarwati, R. D. (2023). Ekskalasi Literasi Keuangan Badan Usaha Milik” Kalurahan” Di Kabupaten Sleman Melalui Pelatihan Akuntansi Dasar. *Pengmasku*, 3(2), 136–152.
- Rangkuti, A., & Siregar, M. A. P. (2023). Exploration of Ethnomathematics in the Design of Mandailing Natal Traditional Houses as a Learning Resource. *Journal of Medives: Journal of Mathematics Education IKIP Veteran Semarang*, 7(2), 298-309.
- Savitri, E., Andreas, A., Diyanto, V., Deliana, E., & Hamzah, A. (2024). Peningkatan Pendapatan Desa Menuju Desa Mandiri Melalui Tata Kelola dan Sistem Pelaporan Keuangan Desa dan BUMDes. *Unri Conference Series: Community Engagement*, 6, 150–159. <https://doi.org/10.31258/unricsce.6.150-159>
- Sutopo, H. B. (2002). *Metodologi penelitian kualitatif*. Surakarta: sebelas maret university press.