



The Effectiveness of Neighborhood Fund Programs on Regional Development in the Siantar Marimbun Sub-District from a Community-driven Development Perspective

Intan Ganisha Chintia Manurung ^{a*}, Satia Negara Lubis ^{b++}
and Badaruddin ^{b++}

^a Regional and Rural Development Planning, Graduate School, Medan, Universitas Sumatera Utara, Indonesia.

^b Regional and Rural Development Planning, Medan, Universitas Sumatera Utara, Indonesia.

Authors' contributions

This work was carried out in collaboration among all authors. All authors read and approved the final manuscript.

Article Information

DOI: 10.9734/AJARR/2024/v18i4618

Open Peer Review History:

This journal follows the Advanced Open Peer Review policy. Identity of the Reviewers, Editor(s) and additional Reviewers, peer review comments, different versions of the manuscript, comments of the editors, etc are available here: <https://www.sdiarticle5.com/review-history/112969>

Original Research Article

Received: 10/12/2023

Accepted: 15/02/2024

Published: 23/02/2024

ABSTRACT

The aim of this research is to determine the effectiveness of neighborhood fund management through the lens of Community-Driven Development. Purposive sampling was used in this study, with a sample size of 100 individuals. The researcher employed a quantitative method with SEM-PLS analysis technique. The findings indicate that neighborhood funds, under the Community-Driven Development approach, significantly influence the development of neighborhood infrastructure but do not significantly affect community empowerment in the Siantar Marimbun Sub-

⁺⁺ Lecturer;

*Corresponding author: Email: intanmanurung54@gmail.com;

District. The Neighborhood Fund Program for regional development achieves an effectiveness ratio of 98%. This suggests that the management of neighborhood funds in the Siantar Marimbun Sub-District in 2020 still focuses on physical programs (infrastructure) and has yet to emphasize community empowerment development, partly due to the COVID-19 pandemic and the absence of specific guidelines regarding the allocation percentage for infrastructure development versus community empowerment in Mayor Regulation No. 13 of 2019 for Pematangsiantar.

Keywords: Community-driven development; neighborhood fund; effectiveness; regional development.

1. INTRODUCTION

Neighborhood funds, allocated from the national budget and channeled through the City's Regional Expenditure Budget, are pivotal in addressing a spectrum of objectives, from governance and infrastructure development to community empowerment. These funds, regulated by frameworks such as the Minister of Home Affairs Regulation No. 130 of 2018, are instrumental in catalyzing infrastructure progress and enhancing community welfare across Indonesian neighborhoods. The Siantar Marimbun Sub-District exemplifies the strategic deployment of these funds to harmonize infrastructure development with community empowerment, encompassing planning, implementation, monitoring, and evaluative processes to ensure developmental efficacy. Moreover, empowerment initiatives are pursued through diverse training and business development programs, aiming to uplift community capacities.

Despite the potential of neighborhood funds to uniformly foster community welfare, challenges persist, including limited management expertise among neighborhood officials and fluctuating community engagement in empowerment programs. These issues can lead to the underutilization of programs and a predominant focus on physical infrastructure projects [1-3]. This scenario accentuates the need for judicious management of neighborhood funds, particularly to achieve a balanced distribution between infrastructure and empowerment initiatives, amidst existing disparities in the Siantar Marimbun Sub-District.

Institutional Theory provides a lens through which the organizational dynamics influenced by environmental pressures can be understood (Diah 2023), highlighting the impact of both external and internal normative pressures on fund management [4,5]. This framework underscores

the significance of recognizing the regulatory and societal contexts shaping fund management practices.

Additionally, the essential role of community participation in the development of social communities has been underscored, noting a prevalent indifference towards social and environmental progress due to inadequate community engagement [6]. Empowerment, involving the enhancement of cognitive, conative, psychomotor, and affective abilities, is vital for fostering community independence and resilience [7,8].

Arga (2024) posits that regional development aims to stimulate community economic activities, contributing to economic growth within a framework that accommodates population growth and urban area development. Satia (2021) further distinguishes between the fulfillment of essential human needs and desires, suggesting a nuanced approach to development that considers the intricate balance between economic activities and the well-being of communities.

Decentralization and community empowerment strategies highlight the importance of local governance in leading development initiatives [9,10,11]. These approaches advocate for participatory poverty reduction and empowerment processes to build a civil, prosperous, and equitable society (Donly, 2020). Emphasizing the need for socio-economic and structural transformations to unlock community potential [11].

This study embarks on an examination of the effectiveness of neighborhood funds in the Siantar Marimbun Sub-District's regional development. It aims to offer critical insights into the implementation of Neighborhood Fund Programs, assessing their impact on regional development and the facilitation of a balanced resource allocation between infrastructure development and community empowerment. Through this lens, the research endeavors to

contribute valuable perspectives to the discourse on equitable and participatory development processes.

2. RESEARCH METHODS

This study employed a quantitative descriptive approach centered on Community Driven Development (CDD), which prioritizes community initiatives to improve their quality of life. CDD encompasses five main characteristics: community focus, participatory planning, community control over resources, involvement in implementation, and community-based monitoring and evaluation. The investigation was conducted in the Siantar Marimbun Sub-District, Pematangsiantar City, North Sumatra Province, in September 2023.

The target population for this research comprised

a diverse group of stakeholders including village heads, village officials, community groups (Pokmas), and Siantar Marimbun Sub-District officials. The total population encompassed approximately 500 individuals involved in neighborhood fund management and community development activities across the sub-district.

To accurately reflect the perspectives of the various stakeholders involved in neighborhood fund programs, the study utilized a purposive quota sampling method. This approach was chosen to ensure a comprehensive analysis of the effectiveness of neighborhood funds on regional development from a Community-Driven Development perspective. A total sample of 100 respondents was determined based on specific criteria to include a balanced representation from each stakeholder group, distributed as follows:

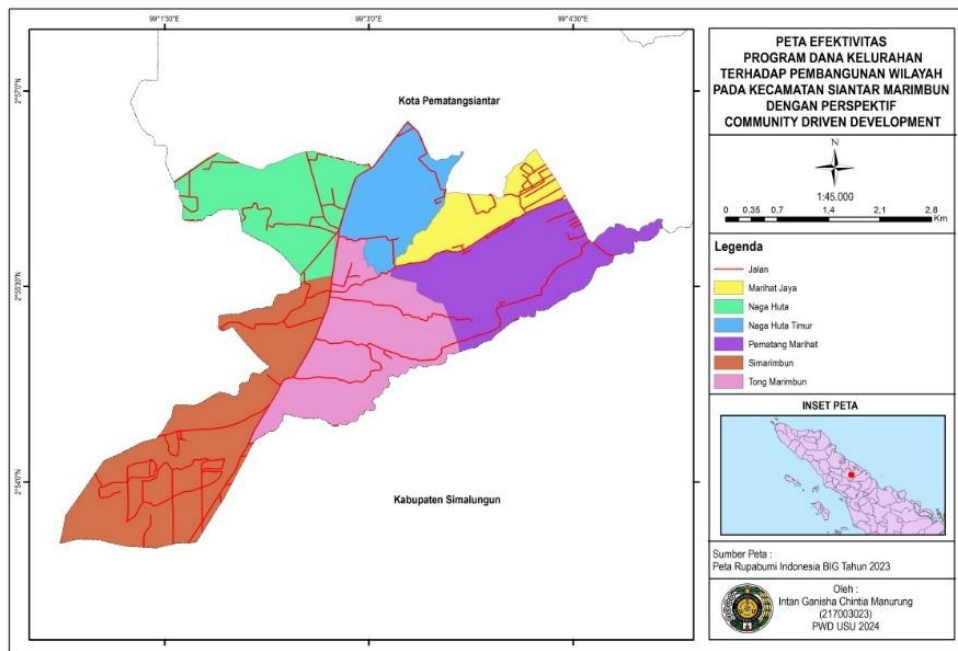


Fig. 1. Research Location

Table 1 Research Respondents

No.	Description	Number (Individuals)
1	POKMAS and Village Officials of Nagahuta Village	15
2	POKMAS and Village Officials of Nagahuta Timur Village	15
3	POKMAS and Village Officials of Tong Marimbun Village	15
4	POKMAS and Village Officials of Simarimbun Village	15
5	POKMAS and Village Officials of Marihat Jaya Village	15
6	POKMAS and Village Officials of Pematang Marihat Village	15
7	Siantar Marimbun Sub-District Officials	10
Total		100

Table 2. Variable Type Code and Indicators

Variable Type	Code	Indicator	Source/Opinion Basis
Independent (X)	X1	Amount of Neighborhood Fund Allocated	Derived from local government regulations and literature on public funding.
	X2	Distribution Mechanism of Funds	Adapted from community development best practices.
Dependent (Y1)	Y1a	Number of Infrastructure Projects Completed	Based on project management and community development theories.
	Y1b	Quality of Infrastructure Developed	Community feedback and infrastructure quality assessment criteria.
Dependent (Y2)	Y2a	Level of Community Participation in Projects	Theoretical frameworks on participatory development.
	Y2b	Increase in Community Skills and Knowledge	Educational and empowerment program evaluation standards.
Intervening (Z)	Z1	Community Engagement in Planning Process	Community-Driven Development principles.
	Z2	Community Decision-Making Power	Decentralization and local governance literature.

The quota sampling method was selected over other techniques due to the study's focus on capturing specific insights related to the management and effectiveness of neighborhood funds within a defined community setting. This method allowed for the targeted selection of respondents who are directly involved or affected by neighborhood fund programs, thereby ensuring the relevance and depth of the data collected.

- a. Independent Variables (X): Influence or cause changes in the dependent variables.
- b. Dependent Variables (Y): Influenced by or are the result of the independent variables.
- c. Intervening Variables (Z): Theoretically affect the relationship between independent and dependent variables indirectly.

Each variable and its corresponding indicators were developed based on a comprehensive review of existing literature and best practices in the field of community-driven development and public fund management. The choice of indicators is informed by the theoretical frameworks that underpin the study's hypothesis, with an emphasis on ensuring measurable and observable outcomes that reflect the impact of the Neighborhood Fund on regional development and community empowerment in the Siantar Marimbun Sub-District.

Data analysis is conducted using SPSS 25.0 for validity and reliability tests, as well as Structural Equation Modeling (SEM) techniques with the assistance of the AMOS program to test the relationships between variables. Therefore, this article aims to evaluate the effectiveness of the Neighborhood Fund Program on regional development with a focus on the Siantar Marimbun Sub-District, using the perspective of Community Driven Development.

3. RESULTS AND DISCUSSION

The Siantar Marimbun Sub-District covers an area of 18,006 km². Geographically, the Siantar Marimbun Sub-District is located between 1°22'03" North Latitude and 99°14'0.44" East Longitude. The sub-district consists of 6 villages, with Simarimbun Village being the largest in terms of area at 6.12 km², accounting for 33.99% of the Siantar Marimbun Sub-District, and East Nagahuta Village being the smallest at 1.474 km², accounting for 8.19% of the sub-district's area. According to the data from the Siantar Marimbun Sub-District in Figures 2023, the population of the Siantar Marimbun Sub-District in 2022 was 20,453 people with a population density of 1.13 people/km² spread across 6 villages. Pematang Marihat Village has the highest population with 7,117 people, with a population density of 4.37 people/km², while East Nagahuta Village has the lowest population of 2,347 people with a population density of 1.59 people/km².

3.1 Characteristics of Research Respondents

In this study, understanding the characteristics of respondents is crucial to provide a comprehensive profile of the research data sources. Respondent characteristics include age, highest education level, gender, and occupation. Based on the following table, respondent characteristics by age can be outlined as follows:

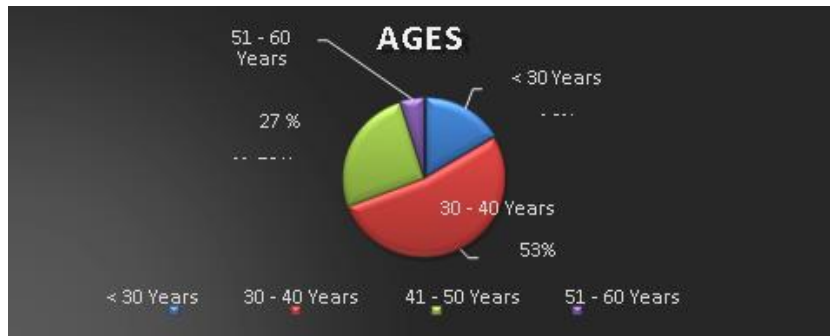
- Respondents under 30 years old: 16 respondents or 16.3% of the total respondents.
- Respondents aged 30 to 40 years: 54 respondents or 52.9% of the total respondents.
- Respondents aged 41 to 50 years: 26 respondents or 26% of the total respondents.
- Respondents aged 51 to 60 years: 4 respondents or 4.8% of the total respondents.

respondents.

This indicates that the majority of respondents in this study are aged between 30 and 50 years, with the highest percentage in the 30-40 age group at 52.9%. Further information about respondent characteristics can be seen in the following diagram:

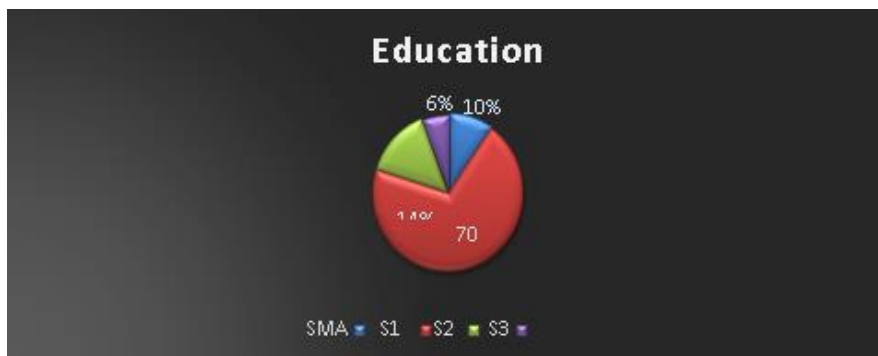
Respondent characteristics by highest education level can be outlined as follows:

- Respondents with high school education: 9 individuals or 9.6% of the total respondents.
- Respondents with Bachelor's degree (S1): 72 individuals or 70.2% of the total respondents.
- Respondents with Master's degree (S2): 14 individuals or 14.4% of the total respondents.
- Respondents with Doctoral degree (S3): 5 individuals or 5.8% of the total respondents.



Source : Data Processed (2024)

Diagram 1. Respondent Characteristics by Age



Source: Data Processed (2024)

Diagram 2. Respondent Characteristics by Highest Education Level

This indicates that the majority of respondents have a Bachelor's degree, accounting for 70.2%

of the total respondents. Meanwhile, the Master's degree level is a minority with a percentage of 14.4%. Further information about respondent characteristics by highest education level can be seen in the following diagram:

Respondent characteristics by gender can be outlined as follows:

- Male respondents: 95 individuals or 93.3% of the total respondents.
- Female respondents: 5 individuals or 6.7% of the total respondents.

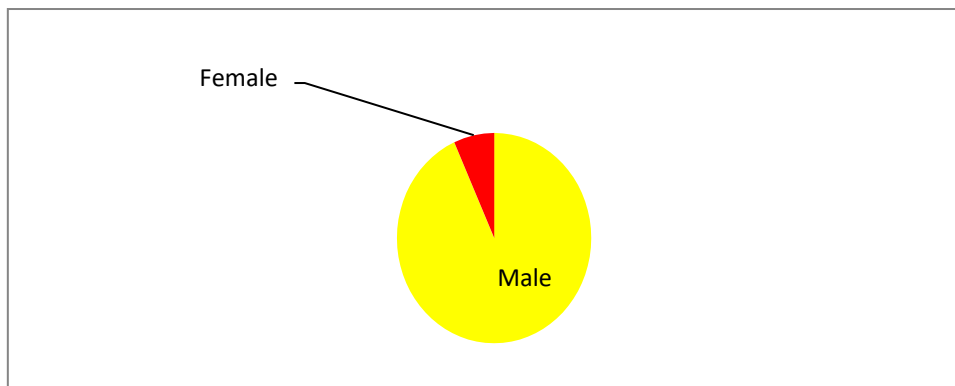
This indicates that the majority of respondents are male, accounting for 93.3% of the total respondents, while female respondents only make up 6.7%. Further information about respondent characteristics by gender can be seen in the following diagram:

Respondent characteristics by occupation can be

outlined as follows:

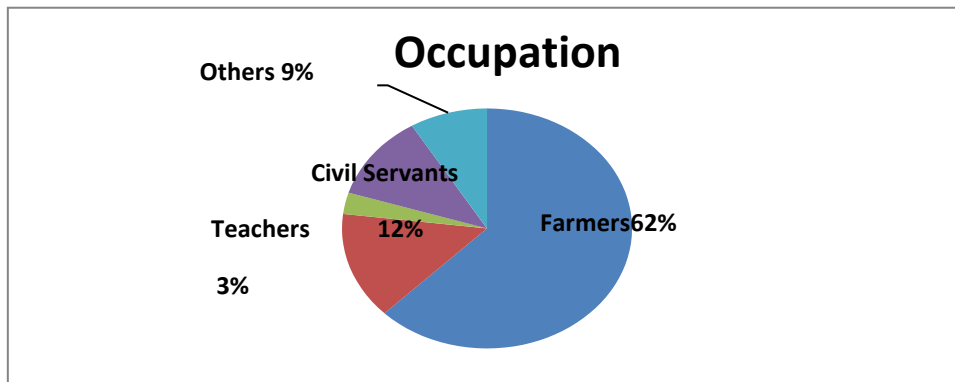
- Farmers: 64 respondents or 62.5% of the total respondents.
- Entrepreneurs: 14 respondents or 14.4% of the total respondents.
- Teachers: 2 respondents or 2.9% of the total respondents.
- Civil Servants (PNS): 11 respondents or 11.5% of the total respondents.
- Others: 9 respondents or 8.7% of the total respondents.

This indicates that the majority of respondents work as farmers, accounting for 62.5% of the total respondents. Meanwhile, there is a variation of other occupations such as entrepreneurs, teachers, civil servants, and others. Further information about respondent characteristics by occupation can be seen in the following diagram:



Source : Data Processed (2024)

Diagram 3. Respondent Characteristics by Gender



Source: Data Processed (2024)

Diagram 4. Respondent Characteristics by Occupation

3.2 Analysis Results of Respondents

Based on the respondents' answers regarding the variables used and their effectiveness analysis, the Neighborhood Fund is assessed based on several measured parameters, such as infrastructure development and community empowerment, as follows:

1. Infrastructure Development in Villages:

- The majority of physical development projects, such as road and drainage construction, demonstrate high levels of effectiveness, with effectiveness percentages ranging from approximately 91% to 100%.
- Most projects achieve adequate or highly effective levels of effectiveness in achieving the goals of infrastructure development in villages.

2. Community Empowerment in Villages:

- Community empowerment programs, such as sewing training and other training sessions, generally exhibit high levels of effectiveness, with effectiveness percentages around 100%.
- This indicates that community empowerment programs have succeeded in achieving their objectives and have had a positive impact on the local community.

3. Average Effectiveness:

- The average effectiveness of all Neighborhood Fund projects is 98%, indicating that the majority of projects are performing well and aligning with the set objectives.

This analysis indicates that the Neighborhood Fund has made a significant contribution to infrastructure development and community empowerment in various villages. The high level of effectiveness suggests that the Neighborhood Fund has been well-managed and has provided tangible benefits to the local community.

3.3 SEM PLS Analysis Results

Effectiveness pertains to whether a implemented policy achieves the desired outcomes. The requirements for assessing the effectiveness of a program include inputs covering the determination of aspects to be evaluated, the process (implementation), and the output (results), which encompass the clarity of assessment outcomes such as benefits, impacts, risks, and follow-up recommendations.

3.3.1 Validity test result

Loading factor is a part of convergent validity. The convergent validity test will be fulfilled if the loading factor values for each indicator are > 0.7. Here are the results of the convergent validity test for all indicators in the conducted research:

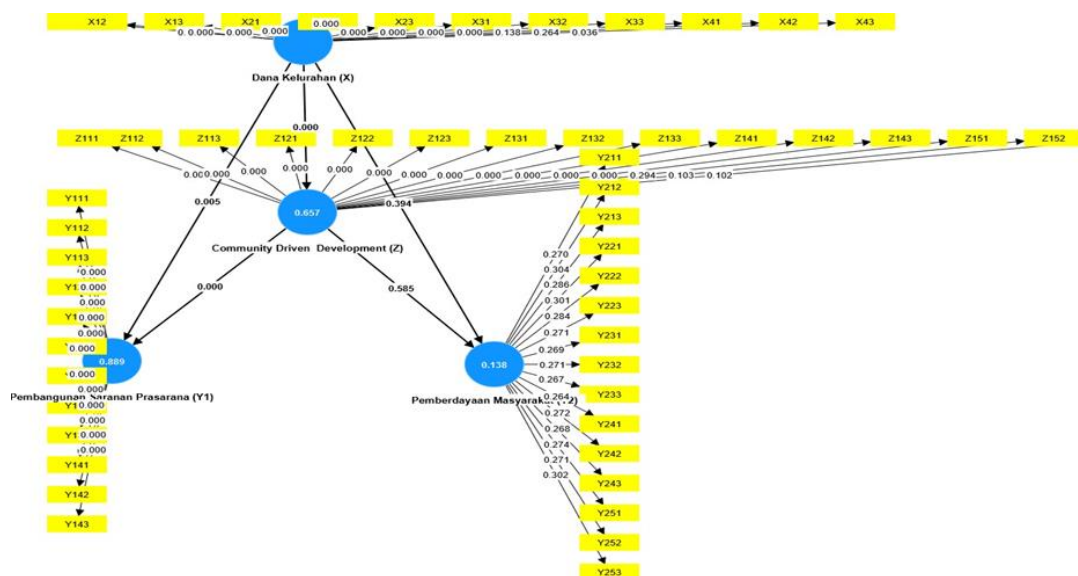


Fig. 2 Data Result (Output) SEM-PLS

The summary of the validity test, as presented in Table 2, showcases that all indicators used in the study are valid, with loading factors exceeding the critical value of 0.7. This indicates that each indicator possesses a strong relationship with its respective construct, thereby affirming the convergent validity of the measurement model. The validity of these indicators suggests that the constructs are well-represented by their indicators, making them suitable for further analysis within this research.

3.3.2 Composite reliability

Other than validity testing, reliability testing was also conducted on each variable in the study. Reliability testing was performed by examining the values of composite reliability and Cronbach's alpha for each variable. The values that must be met for each variable to be considered reliable are >0.8 for composite reliability and >0.6 for Cronbach's alpha.

Reliability testing, detailed in Table 4.9, was conducted to evaluate the consistency of the variables measured in this study. The tests involved assessing composite reliability and Cronbach's alpha for each variable. To declare a variable as reliable, it must achieve a composite reliability score greater than 0.8 and a Cronbach's alpha score greater than 0.6.

3.4 Discussion

Here are seven main sections to be discussed in the analysis of the research findings:

3.4.1 Impact of village funds on community-driven development

The influence of Village Funds on Community-Driven Development yields an original sample value of 0.811, with a sample mean of 0.818 and a standard deviation of 0.032. The T Statistic stands at 2.831, indicating significance, with a p-value of 0.003, well below the threshold of 0.005. Engaging the community in monitoring and evaluating Village Fund management fosters transparency, reducing uncertainty in decision-making processes. This active involvement also mitigates the risk of corruption within village governance, aligning with previous findings [12]

The impact of Village Funds on Community-Driven Development demonstrates a significant positive effect, as evidenced by two separate

analyses. The first analysis reveals an original sample value of 0.811, a sample mean of 0.818, and a standard deviation of 0.032. The T Statistic stands at 2.831, indicating statistical significance with a p-value of 0.003, which is well below the conventional threshold of 0.005. This suggests that engaging the community in monitoring and evaluating Village Fund management not only fosters transparency but also reduces uncertainty in decision-making processes. Active community involvement is crucial in mitigating the risk of corruption within village governance, thereby aligning with previous findings (Kasenda et al., 2021).

The second analysis, focusing on the influence of Village Funds on the development of infrastructure through community-driven development, presents an original sample value of 0.640, a sample mean of 0.649, and a standard deviation of 0.050. With a T Statistic of 12.907 and a p-value of less than 0.005, the results indicate a highly significant effect. The allocation of budgets for local infrastructure development and community empowerment in urban villages involves community groups and/or societal organizations, with at least 5% of the regional budget, excluding specific allocation funds, designated for urban villages in areas without villages. For districts with urban villages and cities with villages, the allocation must at least match the lowest village fund allocation received by any village in the district/city. The Ministry of Home Affairs issued Regulation No. 130 of 2018 on the Development of Facilities and Infrastructure in Urban Villages and Community Empowerment in Urban Villages, highlighting that such development activities also serve as a form of basic social service directly impacting the improvement of community life quality. Government programs aim to enhance development and optimize community empowerment as means to achieve overall societal welfare. Local government, community leaders, and other stakeholders strive to align policies with community expectations, incorporating resources, regulations, management cycles, staff, aspirations, goals, community, and commitment into these activities, while also identifying and addressing any potential obstacles or opportunities.

A study by Dwi & Trisnaningsih on the policy of utilizing urban village funds for enhancing empowerment activities in Sidoharjo Urban Village, Pacitan District, Pacitan Regency,

found alignment with George R Terry's theory across several indicators. The planning, implementation, organization, and monitoring phases within Sidoharjo Urban Village were evaluated positively, evident from the work plans developed by Village Apparatus involving institutions and community leaders through Muskel (village consultation meetings). Despite some program activities not being executed as planned due to the COVID-19 pandemic, leading to budget reallocation towards pandemic response efforts, the community still directly benefited from the empowerment programs. The supervision phase was validated through oversight by various governmental and community bodies, along with the submission of reports on empowerment programs and activities, demonstrating a comprehensive approach to managing and evaluating the impact of Village Funds on community-driven.

3.4.2 Impact of village funds on infrastructure development

Village Funds significantly impact Infrastructure Development, evidenced by an original sample value of 0.182 and a sample mean of 0.175. The T Statistic of 0.852 and a p-value of 0.005 affirm this significance. The introduction of Village Funds in 2019 aimed to enhance the quality of life by facilitating various community services and infrastructure improvements, as outlined in Minister of Finance Regulation No. 8/PMK.07/2020. This allocation has notably spurred rapid infrastructure growth in areas like Siantar Marimbun Sub-District.

3.4.3 Impact of village funds on community empowerment

The impact of Village Funds on Community Empowerment, however, lacks statistical

significance, with a p-value of 0.394, stemming from an original sample value of -0.478 and a sample mean of -0.025. In Siantar Marimbun Sub-District, Village Fund management primarily prioritizes physical infrastructure development over community empowerment initiatives. This discrepancy is common nationwide due to unclear regulations and insufficient understanding of fund management, as corroborated by prior research (Soepardi, 2022) [13].

3.4.4 Impact of community-driven development on infrastructure development

Community-Driven Development significantly influences Infrastructure Development, with an original sample value of 0.789, a sample mean of 0.794, and a T Statistic of 14.901. The p-value of 0.004 underscores this significance. This perspective, characterized by community focus and participatory planning, has demonstrated effectiveness in various settings, aligning with established literature [14].

3.4.5 Impact of community-driven development on community empowerment

Contrary to expectations, the impact of Community-Driven Development on Community Empowerment lacks statistical significance, with a p-value of 0.585. Despite its potential, challenges persist in translating Community-Driven Development principles into tangible community benefits, often hindered by cultural norms and inadequate resource allocation, as supported by Adisasmita (2011, as cited in Wahongan, 2019).

Table 2. Summary of loading factor validity test results

Indicator	Loading Factor	Critical Value	Validity
X11	0,777	0,7	Valid
X12	0,708	0,7	Valid
X13	0,782	0,7	Valid
X21	0,727	0,7	Valid
X22	0,787	0,7	Valid
X23	0,669	0,7	Valid
X31	0,741	0,7	Valid
X32	0,620	0,7	Valid
X33	0,667	0,7	Valid
X41	0,722	0,7	Valid
X42	0,736	0,7	Valid

Indicator	Loading Factor	Critical Value	Validity
X43	0,837	0,7	Valid
Y111	0,854	0,7	Valid
Y112	0,829	0,7	Valid
Y113	0,881	0,7	Valid
Y121	0,839	0,7	Valid
Y122	0,797	0,7	Valid
Y123	0,870	0,7	Valid
Y131	0,912	0,7	Valid
Y132	0,838	0,7	Valid
Y133	0,895	0,7	Valid
Y141	0,871	0,7	Valid
Y142	0,853	0,7	Valid
Y143	0,876	0,7	Valid
Y211	0,690	0,7	Valid
Y212	0,609	0,7	Valid
Y213	0,637	0,7	Valid
Y221	0,620	0,7	Valid
Y222	0,646	0,7	Valid
Y223	0,741	0,7	Valid
Y231	0,609	0,7	Valid
Y232	0,651	0,7	Valid
Y233	0,781	0,7	Valid
Y241	0,786	0,7	Valid
Y242	0,783	0,7	Valid
Y243	0,809	0,7	Valid
Y251	0,875	0,7	Valid
Y252	0,609	0,7	Valid
Y253	0,821	0,7	Valid
Z111	0,842	0,7	Valid
Z112	0,734	0,7	Valid
Z113	0,851	0,7	Valid
Z121	0,831	0,7	Valid
Z122	0,778	0,7	Valid
Z123	0,833	0,7	Valid
Z131	0,825	0,7	Valid
Z132	0,776	0,7	Valid
Z133	0,845	0,7	Valid
Z141	0,816	0,7	Valid
Z142	0,817	0,7	Valid
Z143	0,653	0,7	Valid
Z151	0,646	0,7	Valid
Z152	0,634	0,7	Valid
Z153	0,627	0,7	Valid

Source: Result Data Processed by using Smart PLS (2024)

Table 3 Summary of composite reliability and cronbach alpha results

Variable	Alfa Cronbanch	Critical Value	Composite Reliability	Critical Value	Test Result
Z	0,908	0,6	0,924	0,8	Reliable
X	0,790	0,6	0,784	0,8	Reliable
Y1	0,967	0,6	0,971	0,8	Reliable
Y2	0,930	0,6	0,935	0,8	Reliable

Source: Result Data Processed by using Smart PLS (2024)

3.4.6 Impact of village funds on infrastructure development through community-driven development

Village Funds significantly contribute to Infrastructure Development through Community-Driven Development, evidenced by an original sample value of 0.640 and a T Statistic of 12.907, with a p-value of 0.000. The Ministry of Home Affairs' Regulation No. 130 of 2018 emphasizes the pivotal role of such activities in enhancing community welfare, exemplified by their impact on local infrastructure in Siantar Marimbun Sub-District.

3.4.7 Impact of village funds on community empowerment through community-driven development (CDD)

However, the impact of Village Funds on Community Empowerment through Community-Driven Development lacks statistical significance, as indicated by a p-value of 0.591. Despite positive outcomes observed in infrastructure development, the transformative potential of Village Funds in enhancing community well-being remains unrealized in Siantar Marimbun Sub-District, reflecting a need for more balanced fund allocation and community engagement strategies (Aida & Zahara, 2018).

3.5 Characteristics Community-Driven Development

Utilizing the Community-Driven Development (CDD) perspective, this study focuses on five key characteristics: (1) Community focus, (2) Participatory planning and design, (3) Community control over resources, (4) Community involvement in implementation, and (5) Community-based monitoring and evaluation.

3.5.1 Community focus

The Minister of Home Affairs Regulation No. 130 of 2018 serves as a reference for village fund management, with the Siantar Marimbun Sub-District government effectively utilizing these funds for infrastructure development and community empowerment. However, while tangible benefits such as well-constructed roads have been realized, the significant impact on community welfare remains elusive (Aida & Zahara, 2018). Enhancing community well-being requires a shift towards

economic development activities, aligning with Suwarno's research [15] on community-based businesses.

3.5.2 Participatory planning and design

Effective planning is crucial for structured development, and the sub-district's villages have demonstrated proficient Annual Work Plan (Renja) preparation, albeit with a bias towards infrastructure development due to unclear allocation guidelines (Mayor's Regulation of 2019). Community involvement in planning, evident through village deliberation forums (Musrenbang), ensures transparency and accountability, in line with Minister of Home Affairs Regulation No. 130 of 2018.

3.5.3 Community control over resources

Community control over resources, represented by neighborhood association (RT) officials, enhances accountability in village fund management, aligning with prior research (Kilby, as cited in Mashuri et al., 2020).

3.5.4 Community involvement in implementation

The implementation of village fund management adheres to regulations, with Annual Work Plans (Renja) involving Village Consultative Boards (LPM) and community participation. This active involvement allows communities to understand and experience the impacts of development activities [16].

3.5.5 Community-based monitoring and evaluation

Principles of Good Governance guide village fund management, necessitating transparency, accountability, participation, and equality [17]. While quarterly and annual accountability reports fulfill administrative requirements, community-based monitoring and evaluation are lacking. Involving the community in these processes would enhance transparency, reducing uncertainty in decision-making and mitigating corruption risks [12].

While the Community-Driven Development approach has facilitated infrastructure development and community empowerment to some extent in the Siantar Marimbun Sub-

District, challenges remain in realizing significant impacts on community welfare. Clearer allocation guidelines, enhanced community involvement in planning and evaluation, and a shift towards economic development activities are imperative to unleash the full potential of village funds in fostering community well-being and sustainable development.

4. CONCLUSION AND RECOMMENDATION

The utilization of Village Fund with a Community Driven Development (CDD) approach has proven to be significant in influencing the development of village infrastructure and facilities in the Siantar Marimbun District. However, there still exists insignificance in its influence on community empowerment, indicating the need for a shift in program focus towards community empowerment in the coming years. Furthermore, the Village Fund program has been effective in achieving its goals with a high level of effectiveness.

Therefore, it is recommended that village fund management programs in the upcoming years be more focused on community empowerment, while still actively involving the community in planning, implementation, and oversight through community representative institutions (LPM). Thus, it is hoped that the program's goal of improving rural economic welfare can be achieved more optimally.

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