

# The Influence of Rural Infrastructure Fund Policy Implementation on Fund Management and Effective Utilization in Garut Regency

Agus Muhammad Barkah<sup>1</sup>

<sup>1</sup>Universitas Garut

\*E-Mail Correspondence: [agusmuhamadbahrkah@uniga.ac.id](mailto:agusmuhamadbahrkah@uniga.ac.id)

**Abstract-** This research aims to analyze the influence of rural infrastructure funds policy implementation on funds management and the effectiveness of their usage in Garut Regency. The study employed an explanatory method with evaluation techniques. The population consisted of 421 villages across 42 districts, with 84 villages selected through purposive sampling, using the Headman as the unit of analysis. Data were collected through observation, interviews, questionnaires, and documentation, while hypothesis testing used path analysis. The results show that policy implementation significantly influences funds management (49.93%) and the effectiveness of funds usage (total effect 31.11%). Funds management also has a significant effect on the effectiveness of usage (33.24%). Overall, policy implementation contributes positively to management and effectiveness, with a total influence of 64.36%, while 35.64% is explained by other factors. Direct effects of policy implementation on effectiveness reached 17.80%, with an indirect effect through management of 13.31%. The study also highlights several problems: (1) inadequate quality of village apparatus in policy implementation, (2) lack of effective determination of policy alternatives in funds management, and (3) delays in financial report submissions by many rural governments. These findings suggest the need for capacity-building and stricter monitoring to optimize rural infrastructure funds usage.

**Keywords:** Policy Implementation, Rural Infrastructure Funds, Funds Management, Effectiveness .

## I. INTRODUCTION

The progress of a country is essentially determined by the progress of the villages within its territory, meaning that no country can progress without a developed province, no province can progress without a developed district/city, and no district/city can progress without the support of developed villages. In other words, a country will experience progress if it starts with its villages that must progress first.

The success of regional development is directed at encouraging equitable distribution of development and its results in efforts to improve people's welfare, community initiatives and active roles as well as increasing the utilization of regional potential in an optimal and integrated manner in filling real, dynamic, harmonious and responsible regional autonomy [1], [2].

Problems in the effectiveness of rural infrastructure fund allocation are found in the ability of rural infrastructure fund managers, both village government elements and community institutions, in the planning, implementation and control processes of

activities which are not yet good, including the unavailability or non-inclusion of community components in deliberations on the use of these rural infrastructure funds.

According to [3], good government management can be seen from two sides, namely from the process and from the results. As a process, it must prioritize democratic processes above all predetermined plans, while as a result, it will depict sincerity, efficient use of limited resources by prioritizing good administration through existing processes.

**Table 1.** Reporting on the Realization of the Use of Village Infrastructure Funds and Village Planning Documents in 2016

No	Subdistrict	On time	Late
1	Cisewu		√
2	Caringin		√
3	Talegong	√	
4	Bungbulang	√	
5	Mekarmukti	√	



6	Recovery	√
7	Pakenjeng	√
8	Cikelet	√
9	Pameungpeuk	√
10	Cibalong	√
11	Cisompet	√
12	Pendeuy	√
13	Singajaya	√
14	Cihurip	√
15	Cikajang	√
16	Banjawangi	√
17	Cilawu	√
18	Bayongbong	√
19	Cigedug	√
20	Cisurupan	√
21	Sukaesmi	√
22	Semarang	√
23	Pasirwangi	√
24	South Tarogong	√
25	Tarogong Kaler	√
26	Karangpawitan	√
27	Wanaraja	√
28	Sucinaraja	√
29	Turn off	√
30	Sukawening	√
31	Karangtengah	√
32	Banyuresmi	√
33	Catfish	√
34	Leuwigoong	√
35	Cibatu	√
36	Kersamanah	√
37	Cibiuk	√
38	Kadungora	√
39	Balubur Limbangan	√

40	Selaawi	√
41	Malangbong	√
42	Garut City	√
<b>Amount</b>		<b>23</b>
		<b>19</b>

Source: Garut Regency Inspectorate, 2017.

The table above shows that of the 42 sub-districts in Garut Regency that received rural infrastructure funds, approximately 19 sub-districts submitted late reports on their realization. This indicates that human resources in rural infrastructure fund management lack the necessary skills [4]. Therefore, there is a need for human resources with skills in fund management, or for ongoing training and education [5].

Budgeting practices, especially for Rural Infrastructure Funds, are more focused on the use of resources, where according to [3] modern democracy no longer thinks about how to spend a limited budget, but how to spend a limited budget as efficiently as possible, what benefits will be obtained from the results of this spending (cost and benefit), if this approach is used in public financial management practices, financing efficiency will be achieved in the productivity of government bureaucracy which will be increasingly measurable.

In addition to these issues, village governments are faced with the implementation of a rural infrastructure fund policy. This policy, which is provincial government assistance allocated through the provincial budget (APBD), is used to build rural infrastructure and requires accountability from the village head [7]. Therefore, in terms of accountability, human resource capacity within village government has not been fully implemented.

Regarding human resources, it is known that most of the Village Government administrative staff do not have expertise in public accounting, so that differences still arise in the methods or management of rural infrastructure funds and this will certainly affect the accountability of reports.



**Table 2.** Education Level of Village Officials in Garut Regency in 2016

No	Level of education	Number of Village Officials	Percentage (%)
1	Not in School / Not Finished Elementary School	-	-
2	Elementary school graduate / equivalent	980	24.17
3	Junior High School (SMP) / Equivalent	1,270	31.32
4	Senior High School (SMA) / Equivalent	1,625	40.07
5	Academy (DI, DII or DIII)	68	1.68
6	Bachelor degree)	112	2.76
<b>Total</b>		<b>4,055</b>	<b>100</b>

Source: BPMPD Garut Regency, 2017.

Based on table 2 above, it shows that the majority of village officials have a Senior High School (SMA) education level of 40.07%. This explains the experts' intention that the availability of quality and skilled human resources is a key factor in implementing a policy, especially in terms of village financial management.

Based on the problem phenomena that have been described in the background, it is suspected that there is a causal relationship with the problem to be studied, so the researcher is interested in conducting a study and researching in more depth the factors that influence the effectiveness of the use of rural infrastructure funds as revealed in the problem phenomena.

## II. LITERATURE REVIEW

### 2.1 Implementation of Government Policy and Implementation of Village Fund Infrastructure Policy

According to [4], public policy is defined as a series of actions/activities proposed by a person, group or government in a particular environment where there are obstacles (difficulties) and possibilities (opportunities) where the policy is proposed to be useful in overcoming them to achieve the intended goals.

Meanwhile, according to [5] public policy is a policy made by the government in the form of government actions, public policy must be oriented

towards public interests and is an action of selecting alternatives that are implemented or not implemented because it is based on the public interest itself.

Policy implementation is a process of carrying out policy decisions usually in the form of laws, government regulations, judicial decisions, executive orders, or presidential decrees [6]. According to [7], [4], policy implementation is the actions carried out by individuals or government or private officials or groups that are directed at achieving the goals outlined in policy decisions.

bottom up approach pioneered by [8] states that the bottom up approach emphasizes two important aspects in the implementation of a policy, namely bureaucrats at the lower level and the target group of the policy, the argument that is the basis for the importance of paying attention to the role of bureaucrats at the lower level is closely related to their position in carrying out activities to realize policy outputs (if the policy output is in the form of services) or conveying the policy output to the target group (if the policy output is in the form of grants, assistance, subsidies and others).

Thus, the implementation of rural infrastructure fund policy is a process of implementing government programs that have been planned and formulated previously and is part of public policy.

### 2.2 Rural Infrastructure Fund Management

According to [9], the management process involves the main functions performed by a manager or leader, namely planning, organizing, leading, and controlling. Therefore, management is defined as the process of planning, organizing, leading, and controlling organizational efforts in all its aspects so that organizational goals are achieved effectively and efficiently.

According to [10] management can be defined as "the process of planning, organizing, leading and controlling various organizational resources to achieve goals effectively and efficiently". In line with this understanding, [11] defines government financial management as fund management, both related to



fundraising efforts and the use of funds for operational financing and for investment needs effectively and efficiently.

fund management is an integral part of village financial management within the Village Revenue and Expenditure Budget (APB-Des). It should be noted that rural infrastructure funds represent assistance from the district government to the village, fulfilling the village's right to organize village infrastructure development.

### **2.3 Effectiveness of Use of Rural Infrastructure Funds**

Government can be defined as a mechanism used to maintain orderly power, with the main characteristic being the ability to make collective decisions and the ability to implement them [12]. Specifically in a presidential system, government refers to what is called Government with a meaning similar to Administration in the executive realm. This understanding is in line with the statement [13] that government is a group of people and institutions that create and implement laws.

Based on this understanding, in relation to villages, it can be seen that village government is a group of people and institutions that create and implement laws at the village level, with the aim of bringing public services closer to the recipients in the local community. In this case, the implementation of village government is a subsystem of the government administration system, so that villages have the authority to regulate and manage the interests of their communities [14].

In line with the opinion of [19] states that effectiveness is the power of a message to influence or the level of ability of messages to influence. Effectiveness can be interpreted as a measurement of the achievement of previously planned goals in a mature manner. Meanwhile, [16] states that effectiveness is communication whose process achieves planned goals according to the budgeted costs, the specified time, and the specified number of personnel.

Based on the description above, it can be concluded that a business activity is said to be

effective if it has implemented rules or policies that serve as guidelines or guides so that the business runs in accordance with the applicable rules or policies.

## **III. RESEARCH METHODS**

The research method used in this research is the explanatory method, which is a method for seeking information or explanations with the aim of explaining the causal relationship (causality) between two or more variables based on observations of existing effects and trying to find out the causal variables, so this research is called causal effectual research with data analysis using a statistical approach, namely Path Analysis [3].

The target population of this study was 421 villages in Garut Regency from 42 sub-districts. The sampling technique used in this study was purposive sampling, taking into account time. From the 42 sub-districts in Garut Regency, two villages were selected from each sub-district, each receiving the highest and lowest infrastructure funding, resulting in a total sample of 84 villages.

The data collection techniques in this study were observation, questionnaires, and documentation studies. The data analysis technique used classical data testing with validity, reliability, and hypotheses through editing, coding, and tabulating the collected data. The data was then analyzed using the MSI (Method Successive Interval/Scale Value) model, a scaling technique that can be used to increase the level of measurement from ordinal to interval data.

## **IV. RESULT & DISCUSSION**

### **Results**

Based on the results of the research that has been carried out, the realization of the rural infrastructure fund policy was measured using a questionnaire consisting of 20 statements, each accompanied by 5 possible answers that must be selected and deemed appropriate by the respondents.



The interpretation of the research results is as follows:

**Table 3.** Planning Dimension Assessment Criteria

No Item	Item	Cumulative Total	Presentation	Criteria
21	The formulation of organizational goals is carried out every year as a form of good management or administration.	302	71.90	Good
22	Determining the programs and activities that will be implemented to achieve organizational goals so that fund management runs effectively.	297	70.71	Good
23	The stages of resolution are formulated if problems arise in terms of cash flow so that the objectives are still achieved.	303	72.14	Good
24	Establishing alternative policies for the use of funds if the initial policy is not effective	280	66.67	Pretty good
<b>Amount</b>		<b>281.43</b>		
<b>Average</b>		<b>70.36</b>		

Source: 2018 Research Results

Based on the table above, it can be seen that the respondents' answers in the planning dimension have *assessment* criteria in the good category with an average of 70.36 % of all statements in this dimension. In general , the respondents' answers

assessed that *the* planning dimension was considered good .

**Table 4.** Assessment Criteria for the Implementation Dimension (Actuating)

No Item	Item	Cumulative Total	Presentation	Criteria
29	Policy implementers carry out their work according to their main duties and functions.	312	74.29	Good
30	Policy implementers have the authority and responsibility for their work in accordance with their job hierarchy.	303	72.14	Good
31	In implementing policies, coordination is carried out between policy implementers to prevent overlapping work and responsibilities.	300	71.43	Good
32	The Village Government coordinates with relevant agencies above it in implementing programs, especially in terms of fund/budget management.	305	72.62	Good
<b>Amount</b>		<b>290.48</b>		
<b>Average</b>		<b>72.62</b>		

Source: 2018 Research Results

The results of the interpretation of the analysis from the table above, it can be seen that the respondents' answers in the implementation dimension (*actuating*), respondents gave a good assessment category. With an average of 72.62 % of all statements in this dimension. Based on respondents' answers to the implementation actuating





dimension, in general this dimension is considered good .

**Table 5.** Budgeting Dimension Assessment Criteria

No Item	Item	Cumulative Total	Presentation	Criteria
33	The Village Revenue and Expenditure Budget (APB-Des) is used as a working guideline to implement policies on the use of rural infrastructure funds.	299	71.19	Good
34	Every use of rural infrastructure funds is always formulated in a Budget Plan (RAB) as a technical guideline in implementing activities.	302	71.90	Good
35	Allocation of rural infrastructure budget/fund usage based on programs/activities	310	73.81	Good
36	Allocation of budget/fund use is determined according to the proposed needs of the village community.	313	74.52	Good
37	Accountability for fund/budget management is carried out by making reports on the use of funds/budget.	312	74.29	Good
38	Reporting on the use of funds that has been made is re-evaluated by the policy	322	76.67	Good

No Item	Item	Cumulative Total	Presentation	Criteria
	implementer.			
	Amount		442.38	
	Average		73.73	

Source: 2018 Research Results

The results of the analysis of the table above identified that the respondents' answers on the budgeting dimension , the average assessment was stated as good. with a percentage of 73.73 % of all statements in this dimension. Based on respondents' answers in the *budgeting* dimension , in general this dimension is considered good. Furthermore, in identifying the effectiveness of the use of funds rural infrastructure, can be analyzed as follows:

**Table 6.** Dimensions of Openness of Basic Policies, Objectives and Plans

No Item	Item	Cumulative Total	Presentation	Criteria
43	Percentage of village officials who are aware of the planned implementation of the village infrastructure development program	304	72.38	Good
44	Percentage of village officials who understand the implementation of village infrastructure development programs	317	75.48	Good
45	Percentage of village officials who generally know the objectives of the village infrastructure development program	328	78.10	Good
46	Percentage of village	324	77.14	Good



No Item	Item	Cumulative Total	Presentation	Criteria
	officials who generally understand the implementation of village infrastructure development programs			
47	Percentage of ease of access to the planning stages of the village infrastructure development fund utilization program	281	66.90	Pretty good
48	The percentage of transparency in program planning can be easily understood by anyone who accesses it.	318	75.71	Good
<b>Amount</b>		<b>445.71</b>		
<b>Average</b>		<b>74.29</b>		

Source: 2018 Research Results

Based on the analysis of the table above, it can be seen that the respondents' answers on the dimensions of openness of basic policies, objectives and plans, the assessment category is good with an average percentage of 74.29 % of all statements in this dimension. Based on the respondents' answers on the dimensions of openness of basic policies, objectives and plans, in general this dimension is considered good. In line with the results of the interview results, most of the budget planning process and programs/activities are carried out by the village government, and indeed community participation tends to be apathetic towards programs created by the village government.

**Table 7.** Target Result Dimension Assessment Criteria

No Item	Item	Cumulative Total	Presentation	Criteria
65	Percentage of target compliance with village development program plans that can be realized	336	80.00	Good
66	Percentage of achievement of objectives with targets for implementing village development programs	335	79.76	Good
67	Percentage of the level of satisfaction felt by village communities regarding the results of the village infrastructure development program	326	77.62	Good
68	The percentage of the level of benefits that can be felt by village communities from the results of the village infrastructure development program	338	80.48	Good
<b>Amount</b>		<b>317.86</b>		
<b>Average</b>		<b>79.46</b>		

Source: 2018 Research Results

The results of the analysis of the table above show that the respondents' answers to the target results dimension, the assessment category is good with an average percentage of 79.46 % of all statements in this dimension. This is also based on the results of interviews with informants who stated that it is indeed appropriate for the community to be involved or involve themselves in the village development process, so that they know clearly what the village government is doing.

Based on the test results, the path coefficient value is 0.8022. Furthermore, from the results of the comparison between  $F_{\text{count}}$  and  $F_{\text{table}}$ , namely  $F_{\text{count}} = 48.1489 > F_{\text{table}} = 2.7188$ . The results of the analysis of these values obtained the decision  $H_0$  is rejected,



so that the variable implementation of rural infrastructure fund policy has a significant effect on the variable management of rural infrastructure funds and the variable effectiveness of use of rural infrastructure funds.

Thus, it can be identified the influence of the Implementation of the Rural Infrastructure Fund Policy on the Management of Rural Infrastructure Funds in realizing the Effectiveness of the Use of Rural Infrastructure Funds is shown by the value of the Determination Coefficient ( $R^2_{YZX}$ ) of = 0.6436. This value this means that the implementation of the rural infrastructure fund policy has a significant influence on the management of rural infrastructure funds in realizing the effective use of rural infrastructure funds by 64.36 %, while the remainder is 35.64 %. Epsilon is influenced by other variables outside the rural infrastructure fund policy implementation variable which are not included in the model.

## Discussion

Based on the results of observations in the field, the low influence of policy implementation on the variable of effectiveness of the use of rural infrastructure funds occurred because although the implementation of the policy in the form of socialization had been carried out well. There was a strong commitment from policy implementers to implement the policy and management of rural infrastructure funds had been made to the maximum, but this was not the dominant factor that influenced the effectiveness of the use of rural infrastructure funds [21].

Furthermore, other factors that can influence the effectiveness of the use of rural infrastructure funds besides rural infrastructure fund management are thought to be integration. According to [17], true effectiveness must include various criteria, one of which is integration.

This is as stated by [18], namely that effectiveness is defined as the ability to adapt to a changing environment. It is further explained that adaptation is measured by changes in market share and the rate of development of successful new products.

In line with the opinion of [19], motivation concerns human behavior and is an important element in management. The motivation of policy implementers will also influence the course of the management process. This is in accordance with what was stated by [20] that management is the coordination of all resources through the process of planning, organizing, determining workforce, directing and supervising to achieve previously determined goals.

The village government needs to continue to coordinate in fund management, both horizontally and vertically so that the management of rural infrastructure funds is in accordance with laws and regulations and scientific management processes. In line with the findings of [21], one of the criteria for assessing effectiveness is efficiency, which can encourage the effective use of rural infrastructure funds to be realized.

Thus, the implementation of rural infrastructure fund policies has a significant impact on the management of rural infrastructure funds in realizing the effectiveness of the use of rural infrastructure funds.

## V. CONCLUSION AND SUGGESTIONS

Based on results study And discussion about influence policy implementation rural infrastructure funds towards management of rural infrastructure funds in realizing the effectiveness of the use of rural infrastructure funds, can withdrawn The conclusion is that the implementation of the rural infrastructure fund policy demonstrates good criteria. The management of rural infrastructure funds demonstrates good criteria, as evidenced by the average respondent's answer regarding this variable.

The use of rural infrastructure funds shows good criteria, this is evidenced by the average respondent's answers regarding the variable. In line with the results of the main hypothesis testing in this study, it can be concluded that the implementation of the rural infrastructure fund policy simultaneously has a significant effect on the management of rural infrastructure funds in realizing the effectiveness of





the use of rural infrastructure funds, this is indicated by the magnitude of the coefficient of determination based on the calculation results which are strengthened by the decision that  $H_0$  is rejected, meaning that the influence of the implementation of the rural infrastructure fund policy is relatively large on management. rural infrastructure funds in realizing the effectiveness of the use of rural infrastructure funds.

This research provides recommendations to the community empowerment agency and village government of Garut Regency, as well as other stakeholders, to develop various regional legal products that regulate rural infrastructure fund policies and other regional legal products that support policy implementation so that instructions for village governments in Garut Regency can be more detailed and clear. As for the research more further, in relation to several findings problems with study as well as there are limitations in study this, then for other parties who will conduct research on future can conduct research more carry on apart from variables study.

## VI. REFERENCE

- [1] D. Setiawan, *Wajah Desa Kita: Dimensi SDM, Politik, Ekonomi (Cetakan I)*. Jakarta: Pusat Kajian Pemberdayaan Desa, 2011.
- [2] N. A. Hamdani, L. Lindayani, and ..., "The Influence of E-Marketing on MSME Business Performance in the Culinary Sector and Impact on Customer Loyalty Post the Covid-19 Pandemic in Garut Regency," *Bus. Innov.* ..., vol. 5, no. 2, pp. 95–104, 2023, [Online]. Available: <https://ejournals.fkwu.uniga.ac.id/index.php/BIEJ/article/view/683%0Ahttps://ejournals.fkwu.uniga.ac.id/index.php/BIEJ/article/download/683/261>.
- [3] L. E. Lynn Jr., *Public Management as Art, Science, and Profession*. Chatham, NJ: Chatham House Publishers, 1996.
- [4] A. Dahlena, M. Soni, N. A. Hamdani, and S. M. Andriani, "Improving MSME HR Competence through Performance Management Training and Effective Recruitment," vol. 6, pp. 8–14, 2025.
- [5] N. A. Hamdani, M. F. H. Azizi, A. M. Fadilah, and I. Permana, *The Roles of Inspiration and Learning to Entrepreneurial Intention Moderated by Attitude Variable*, no. Gcbme 2023. Atlantis Press International BV, 2024.
- [6] J. Iskandar, *Beberapa indeks dan skala pengukuran variabel-variabel sosial dan psikologi (Edisi ke-4)*. Puspa, 2017.
- [7] G. Abdul *et al.*, "Implementation of Green Business Strategy in Increasing Competitiveness of Manufacturing Companies," vol. 6, no. 4, pp. 266–273, 2024.
- [8] L. Agustino, *Dasar-Dasar Kebijakan Publik*. Bandung: Alfabeta, 2008.
- [9] H. Pasolong, *Teori Administrasi Publik*. Bandung: Alfabeta, 2010.
- [10] S. A. Wahab, *Analisis Kebijakan: Dari Formulasi ke Implementasi Kebijakan Negara (Edisi Revisi)*. Bandung: Alfabeta, 2014.
- [11] D. S. Van Meter and C. E. Van Horn, "The Policy Implementation Process: A Conceptual Framework," *Adm. Soc.*, vol. 6, no. 4, pp. 445–488, 1975.
- [12] E. A. Purwanto and D. R. Sulistyastuti, *Implementasi Kebijakan Publik: Konsep dan Aplikasinya di Indonesia*. Yogyakarta: Gava Media, 2012.
- [13] N. Fattah, *Landasan Manajemen Pendidikan*. Bandung: Remaja Rosdakarya, 2014.
- [14] I. Solihin, *Manajemen Strategik*. Jakarta: Erlangga, 2014.
- [15] S. Sumarsono, *Manajemen Koperasi: Teori dan Praktik*. Yogyakarta: Graha Ilmu, 2010.
- [16] A. Heywood, *Politics (4th ed.)*. New York: Palgrave Macmillan, 2012.
- [17] J. E. Austin, *Social Entrepreneurship and Social Value Creation*. Singapore: Springer, 2016.
- [18] H. Widjaja, "Vegetative engineering as landslide reduction and handling alternative," *IOP Conf. Ser. Earth Environ.* ..., 2018, doi: 10.1088/1755-1315/203/1/012019.
- [19] A. Susanto, *Teori Administrasi Publik*.



Bandung: Pustaka Setia, 2015.

- [20] O. U. Effendy, *Ilmu Komunikasi: Teori dan Praktek*. Bandung: Remaja Rosdakarya, 2009.
- [21] G. A. F. Maulani, N. A. Hamdani, S. Nugraha, and T. M. S. Mubarok, “Entrepreneurial Culture and Organizational Climate in the Barbers Village, Garut, Indonesia,” vol. 151, no. 1cmae, pp. 229–232, 2020, doi: 10.2991/aebmr.k.200915.053.
- [22] A. I. Indrawidjaja, *Kebijakan dan Administrasi Publik*. Bandung: Sinar Baru Algesindo, 1994.
- [23] S. Tyson and J. Jackson, *The Essence of Organizational Behaviour*. New York: Prentice Hall, 1992.
- [24] G. R. Terry, *Prinsip-Prinsip Manajemen (Terjemahan)*. Jakarta: Bumi Aksara, 2014.
- [25] H. Nawawi, *Manajemen Sumber Daya Manusia: Untuk Bisnis yang Kompetitif*. Yogyakarta: Gadjah Mada University Press, 2015.
- [26] Makmur, *Teori Kebijakan Publik*. Bandung: Refika Aditama, 2015.

