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Village Fund Policy Implementation and the Effectiveness of Financial Management in Matobe Village

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Abstract

Village fund management is a strategic instrument for strengthening rural development, community empowerment, and village governance, particularly in archipelagic areas that face limitations in infrastructure, human resources, administrative capacity, and public service delivery. This study aims to analyze the influence of communication, resources, disposition, and bureaucratic structure on the effectiveness of village fund management in Matobe Village, Sikakap District, Mentawai Islands Regency. The study used a descriptive approach with quantitative analysis. Data were collected through questionnaires, observation, and documentation involving 84 respondents, and were analyzed using descriptive statistics and multiple linear regression with the assistance of SPSS. The findings show that communication, resources, disposition, and bureaucratic structure simultaneously have a significant effect on the effectiveness of village fund management. This is indicated by the calculated F-value of 12.026, which is higher than the F-table value of 2.4858, with a significance level of 0.000. The Adjusted R Square value of 0.347 indicates that the four variables explain 34.7% of the variation in the effectiveness of village fund management, while the remaining 65.3% is influenced by other factors outside the research model. The findings confirm that the effectiveness of village fund management is not only determined by budget availability, but also by clear policy communication, adequate resources, implementer commitment, and a bureaucratic structure that supports coordination, task distribution, accountability, and supervision. This study concludes that strengthening village fund policy implementation in archipelagic areas requires an integrated effort to improve public information quality, enhance village apparatus capacity, reinforce implementer integrity, and develop a more effective village bureaucratic work system.

Key Words : Village Fund, Policy Implementation, Financial Management, Motabe Village, Decentralization.

Introduction

Village funds constitute one of the most important public policy instruments for strengthening village development, reducing interregional disparities, improving public services, promoting community empowerment, and accelerating rural economic growth. Since the enactment of Law Number 6 of 2014 concerning Villages, villages have gained stronger institutional recognition as governmental units as well as local social entities that possess authority to regulate and manage community interests. This legal framework has placed villages not merely as administrative extensions of higher levels of government, but also as strategic actors in local development. Through the village fund policy, the central government seeks to bring development closer to rural communities by providing direct fiscal support that can be used for governance, development, community guidance, and empowerment programs (Undang-Undang Republik Indonesia Nomor 6 Tahun 2014 tentang Desa).

Beyond increasing fiscal transfers, the village fund policy represents an important component of Indonesia's decentralization agenda by strengthening local governance capacity and promoting more responsive, accountable, and participatory village administration. Consequently, the effectiveness of village fund management has become a critical issue in public administration because financial resources alone cannot guarantee successful development outcomes without effective policy implementation and institutional capacity.

Village fund policy is expected to address structural development challenges at the village level, including limited infrastructure, inadequate public services, economic vulnerability, weak community empowerment, and persistent regional disparities. However, evidence from previous studies indicates that the achievement of these objectives depends not merely on the amount of fiscal resources allocated, but on how effectively village governments implement financial management policies within their local institutional context (Kapita et al., 2021).

From the perspective of village financial governance, effectiveness encompasses the ability of village governments to manage the entire financial management cycle—from planning and budgeting to implementation, administration, reporting, and accountability—while consistently applying the principles of transparency, accountability, participation, administrative order, and budget discipline. Weak governance capacity may therefore limit the developmental impact of village funds even when financial allocations are adequate (Firmansyah, 2025).

The importance of effective village fund management becomes even more evident in archipelagic regions, where geographical isolation, fragmented settlements, limited transportation networks, inadequate infrastructure, and shortages of qualified human resources create additional challenges for public administration. These contextual constraints frequently reduce the administrative and institutional capacity of village governments to implement development policies effectively, despite receiving substantial fiscal transfers from the central government. Consequently, understanding village fund management in archipelagic areas is essential for evaluating whether decentralization policies are capable of achieving equitable rural development across diverse territorial contexts.

The fiscal context of this study shows that village funds allocated to West Sumatra Province are substantial. In 2020, the total village fund allocation in West Sumatra Province reached IDR 992,597,548,000 for 928 villages or nagari. Mentawai Islands Regency received IDR 60,855,878,000 for 43 villages. Within Sikakap District, the total village fund allocation reached IDR 3,403,104,500, distributed to three villages: IDR 1,133,043,500 for Sikakap Village, IDR 1,252,892,300 for Taikako Village, and IDR 1,017,168,700 for Matobe Village. These fiscal allocations demonstrate the government's substantial commitment to supporting rural development in remote areas. Nevertheless, the availability of financial resources alone does not necessarily ensure effective governance or successful development outcomes, particularly where institutional capacity remains constrained.

Matobe Village represents a relevant case for examining these challenges because it reflects many of the structural characteristics commonly experienced by remote archipelagic communities. The village continues to experience limited access to education and healthcare services, inadequate transportation infrastructure, relatively low educational attainment, and heavy dependence on traditional agriculture and fisheries as the primary sources of livelihood. These conditions directly influence both the administrative capacity of village institutions and the ability of local communities to participate effectively in village financial governance.

In addition, the village possesses considerable agricultural potential, particularly in bananas, durian, and areca nuts. However, these resources continue to be managed predominantly through traditional production systems with limited value-added processing and weak institutional support. This situation indicates that village fund management should extend beyond financing physical infrastructure by promoting community empowerment, strengthening local economic institutions, and improving the productive utilization of local resources.

The environmental characteristics of Matobe Village further reinforce the importance of effective financial governance. Rivers remain an essential source of water for domestic activities, particularly during the dry season, exposing the community to environmental and public health risks associated with inadequate sanitation and water management. Consequently, village fund allocation must simultaneously address infrastructure development, environmental sustainability, public health, and basic service delivery. These multidimensional development needs illustrate the complexity of implementing village fund policies in archipelagic settings, where geographical, socioeconomic, and institutional constraints interact simultaneously.

Despite substantial fiscal support, village fund management in Matobe Village continues to face important implementation challenges. These challenges extend beyond financial constraints and are primarily associated with the capacity of local institutions to translate policy objectives into effective governance practices. Following the policy implementation framework of Edwards III (1980), these challenges can be understood through four interrelated dimensions: communication, resources, disposition, and bureaucratic structure.

Communication remains a critical issue because information regarding village fund allocation, implementation priorities, and accountability mechanisms has not always been communicated clearly and consistently to community members. Although village deliberation forums and public socialization activities have been conducted, public understanding of village fund management remains relatively limited, reducing opportunities for meaningful participation and social oversight (Edwards III, 1980; Inaku & Abdussamad, 2025).

Resource limitations also continue to constrain implementation effectiveness. Beyond financial availability, successful village fund management depends on competent human resources, administrative capability, technical expertise, organizational facilities, and supporting infrastructure. In Matobe Village, limitations in the capacity of village officials to manage financial administration, together with relatively low educational attainment among community members, reduce both administrative performance and community participation in village financial governance (Islamiyah et al., 2020; Firmansyah, 2025).

The disposition of policy implementers represents another important dimension. Effective implementation requires commitment, integrity, responsibility, and a strong orientation toward public service. Field conditions indicate that decision-making and program implementation remain highly concentrated in the village head, potentially weakening collective responsibility, internal control, and institutional accountability. Consequently, policy effectiveness depends not only on regulatory compliance but also on the commitment of village officials to implement public policies collaboratively and transparently (Edwards III, 1980; Febrianti & Wicaksono, 2020).

Similarly, bureaucratic structure plays a central role in determining implementation effectiveness. Village fund management requires clear task allocation, standardized operating procedures, effective inter-organizational coordination, and adequate monitoring mechanisms. However, coordination among village institutions has not yet functioned optimally, creating risks of overlapping responsibilities, implementation delays, and weaker accountability in financial management (Arifin, 2020).

Collectively, these conditions demonstrate that village fund management effectiveness cannot be explained solely by fiscal capacity but must also be understood as an institutional governance issue. Accordingly, communication, resources, disposition, and bureaucratic structure constitute an integrated analytical framework for examining how implementation capacity influences village financial governance, consistent with the policy implementation model proposed by Edwards III (1980).

Previous studies have consistently reported that communication quality, human resource capacity, bureaucratic coordination, and accountability influence the implementation of village fund policies. Kapita et al. (2021) identified communication and coordination barriers in village fund implementation. Azizah and Prabawati (2021) emphasized the importance of implementer capacity and institutional coordination, while Inaku and Abdussamad (2025) highlighted the significance of communication and resource quality. Likewise, Firmansyah (2025) demonstrated that the competence of village officials and effective internal control are essential for improving village financial accountability.

However, existing studies have predominantly examined these implementation factors separately or within general rural governance contexts. Limited attention has been devoted to investigating how communication, resources, disposition, and bureaucratic structure jointly influence the effectiveness of village fund management in geographically isolated archipelagic regions, where implementation capacity is simultaneously shaped by geographical constraints, institutional limitations, socioeconomic conditions, and restricted public service accessibility. This gap remains particularly evident for remote villages in the Mentawai Islands Regency, despite their distinctive governance challenges and strategic importance within Indonesia's decentralization policy.

Although previous studies have consistently demonstrated that communication, human resources, bureaucratic coordination, and organizational commitment influence the implementation of village fund policies, important gaps remain in the existing literature. First, empirical evidence explaining how these implementation dimensions jointly influence the effectiveness of village fund management remains limited, as most previous studies have examined each factor independently or have focused primarily on describing implementation processes rather than evaluating their combined contribution to governance outcomes (Kapita et al., 2021; Azizah & Prabawati, 2021; Inaku & Abdussamad, 2025; Firmansyah, 2025).

Second, the literature has paid relatively little attention to village fund governance in remote archipelagic regions, where geographical isolation, fragmented settlements, limited infrastructure, restricted access to public services, and relatively low institutional capacity create implementation challenges that differ substantially from those experienced by mainland villages. Consequently, current knowledge regarding the effectiveness of village fund management remains largely derived from more accessible rural settings and may not adequately explain governance performance in geographically isolated villages.

This study addresses these gaps by examining the simultaneous influence of communication, resources, disposition, and bureaucratic structure on the effectiveness of village fund management in Matobe Village, Sikakap District, Mentawai Islands Regency. By focusing on an archipelagic village characterized by unique geographical, socioeconomic, environmental, and institutional conditions, this study extends the application of Edwards III's policy implementation framework to a governance context that has received limited empirical attention.

The novelty of this study lies not only in its empirical setting but also in its analytical perspective. Rather than examining individual implementation factors separately, this study evaluates how the four dimensions of policy implementation collectively shape the effectiveness of village financial governance within an archipelagic environment. This integrated approach provides a more comprehensive understanding of how implementation capacity influences the achievement of decentralization objectives under conditions of geographical isolation and institutional constraints.

Accordingly, this study contributes to the literature in three ways. First, it enriches the literature on village financial governance by providing empirical evidence from an underrepresented archipelagic context. Second, it contributes to decentralization studies by demonstrating that fiscal transfers alone are insufficient to improve development outcomes without adequate implementation capacity at the village level. Third, it contributes to policy implementation research by extending the application of Edwards III's implementation model to the analysis of village fund management effectiveness in geographically remote communities. These contributions also provide practical implications for strengthening village governance through improvements in communication, institutional capacity, bureaucratic coordination, and public accountability in archipelagic regions.

Based on these considerations, this study aims to analyze the influence of communication, resources, disposition, and bureaucratic structure on the effectiveness of village fund management in Matobe Village, Sikakap District, Mentawai Islands Regency. The study argues that effective village fund management in archipelagic regions depends not solely on the magnitude of fiscal transfers but also on the capacity of village institutions to implement public policies through effective communication, adequate resources, committed implementers, and well-functioning bureaucratic structures.

Method

This study employed a quantitative research design using a descriptive explanatory approach to examine the influence of policy implementation factors on the effectiveness of village fund management. The quantitative approach was considered appropriate because the study sought to empirically assess the relationships between the independent variables of policy implementation and the dependent variable using statistical analysis**.** The independent variables consisted of communication (X_1), resources (X_2), disposition (X_3), and bureaucratic structure (X_4), while the dependent variable was the effectiveness of village fund management (Y).

The research was conducted in Matobe Village, Sikakap District, Mentawai Islands Regency, West Sumatra Province. The study site was purposively selected because Matobe Village represents a remote archipelagic village that receives a substantial village fund allocation while simultaneously facing persistent challenges related to policy communication, administrative capacity, institutional coordination, task distribution, and community participation. These characteristics make the village an appropriate empirical setting for examining the implementation of village fund policies in geographically isolated areas.

The study population comprised adult residents of Matobe Village who possessed sufficient knowledge or direct experience regarding village governance and village fund implementation. Respondents were selected from community members representing various socioeconomic backgrounds, including farmers, fishermen, private-sector employees, civil servants, and students. Individuals were considered eligible to participate if they were familiar with village development activities, had experience participating in village meetings or public affairs, or possessed adequate knowledge of village fund programs and their implementation. This selection was intended to ensure that respondents were capable of providing informed assessments of village fund management practices within the village.

A total of 84 respondents participated in the study. The sample size corresponded to the number of valid questionnaire responses used in the statistical analysis, as reflected in the regression degrees of freedom. The respondents represented diverse demographic characteristics in terms of gender, educational attainment, and occupation, thereby providing a broad representation of community perceptions regarding village fund management.

The respondents were considered appropriate for evaluating village fund management because village fund policies directly affect community development through infrastructure provision, public services, community empowerment, and local economic development. As the primary beneficiaries of village development programs, community members are able to evaluate the transparency of information dissemination, the adequacy of implementation, the responsiveness of village officials, institutional coordination, and the overall effectiveness of village fund utilization. Consequently, their perceptions constitute an important source of empirical evidence for assessing the implementation of village fund policies at the village level.

Data were collected through structured questionnaires, direct observation, and document review. The questionnaire served as the primary data collection instrument and consisted of 31 measurement items representing the five study variables: communication, resources, disposition, bureaucratic structure, and the effectiveness of village fund management. The instrument was developed based on the policy implementation framework proposed by Edwards III and was adapted to the context of village fund management in Indonesia.

Communication was operationalized as the extent to which information regarding village fund policies was transmitted clearly, consistently, and transparently to both implementers and community members. Resource capacity referred to the availability and adequacy of human resources, financial support, administrative capability, and supporting facilities required for policy implementation. Disposition represented the commitment, integrity, responsibility, and responsiveness of village officials in implementing village fund policies. Bureaucratic structure reflected organizational arrangements, standard operating procedures, task distribution, institutional coordination, and supervisory mechanisms supporting village fund implementation. The dependent variable, effectiveness of village fund management, was defined as the extent to which village fund policies achieved their intended objectives through accountable, transparent, participatory, orderly, and efficient financial management.

All questionnaire items were measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Higher scores indicated more positive perceptions of policy implementation and village fund management effectiveness. The questionnaire responses were subsequently converted into descriptive statistics for each variable before being analyzed using inferential statistical procedures.

Prior to the main survey, the research instrument was pilot-tested on 30 respondents to evaluate its psychometric properties. Instrument validity and reliability were assessed using the Rasch Measurement Model implemented through Winsteps software. Item validity was evaluated based on Outfit Mean Square (MNSQ) and standardized Z-values (ZSTD), with acceptable criteria of $0.5 < MNSQ < 1.5$ and $-2.0 < ZSTD < +2.0$. The analysis demonstrated that all questionnaire items satisfied the recommended fit statistics and were therefore retained for subsequent analysis.

The reliability analysis also demonstrated satisfactory measurement consistency. The instrument achieved an item reliability coefficient of 0.96, indicating excellent internal consistency and strong measurement stability. These results confirmed that the questionnaire provided valid and reliable measurements for evaluating policy implementation and the effectiveness of village fund management.

Descriptive statistics were first employed to summarize the characteristics of the respondents and to describe the distribution of responses for each research variable. The descriptive analysis provided information on the central tendency and overall response patterns regarding communication, resources, disposition, bureaucratic structure, and the effectiveness of village fund management.

Before conducting hypothesis testing, the dataset was evaluated to ensure that the assumptions underlying multiple linear regression were satisfied. Data normality was assessed using the One-Sample Kolmogorov–Smirnov test, where a significance value greater than 0.05 indicated that the data were normally distributed. Linearity between each independent variable and the dependent variable was examined using the Test for Linearity, with the significance value of the deviation from linearity required to exceed 0.05. Multicollinearity was evaluated using the Variance Inflation Factor (VIF) and Tolerance statistics. The regression model was considered free from multicollinearity when the VIF value was below 10 and the Tolerance value exceeded 0.10.

The influence of communication, resources, disposition, and bureaucratic structure on the effectiveness of village fund management was analyzed using multiple linear regression with the following model:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

Where:

- **Y** = Effectiveness of village fund management
- $\mathbf{X_1}$ = Communication
- $\mathbf{X_2}$ = Resources
- $\mathbf{X_3}$ = Disposition
- $\mathbf{X_4}$ = Bureaucratic structure
- **a** = Constant
- $\mathbf{b_1}$–$\mathbf{b_4}$ = Regression coefficients
- **e** = Error term

Hypothesis testing consisted of both simultaneous and partial analyses. The simultaneous effect of the four independent variables on village fund management effectiveness was evaluated using the F-test at a 95% confidence level ($\alpha = 0.05$). A significance value below 0.05 indicated that the independent variables jointly exerted a statistically significant influence on the dependent variable.

To examine the individual contribution of each implementation variable, partial hypothesis testing was performed using the t-test. Regression coefficients (β), t-values, and significance probabilities were used to determine whether each independent variable significantly contributed to village fund management effectiveness. Variables with probability values below 0.05 were considered statistically significant predictors of the dependent variable.

The explanatory power of the regression model was evaluated using the coefficient of determination (Adjusted R^2), which indicates the proportion of variance in village fund management effectiveness explained collectively by the four implementation variables. Because the study employed multiple independent variables, Adjusted R^2 was reported instead of R^2 to provide a less biased estimate of model performance.

All statistical analyses were performed using IBM SPSS Statistics version 24. Statistical significance was determined at the 5% level throughout the analysis. The analytical framework of this study was developed based on Edwards III's policy implementation model, which posits that successful policy implementation is influenced by four interrelated dimensions: communication, resources, disposition, and bureaucratic structure. These four dimensions were specified as the independent variables, while the effectiveness of village fund management was treated as the dependent variable.

Communication refers to the clarity, consistency, and transparency of information transmitted between village authorities and community members regarding village fund policies. Resources encompass the availability of competent human resources, financial support, facilities, and administrative capacity required to implement village fund programs. Disposition reflects the commitment, integrity, responsibility, and willingness of village officials to implement village fund policies in accordance with established objectives. Bureaucratic structure represents organizational arrangements, standard operating procedures, coordination mechanisms, and institutional supervision supporting policy implementation.

The effectiveness of village fund management was conceptualized as the extent to which village fund policies achieved their intended objectives through transparent, accountable, participatory, orderly, and efficient financial management practices. Accordingly, the study hypothesized that communication, resources, disposition, and bureaucratic structure would positively influence the effectiveness of village fund management, both individually and simultaneously.

Results and Discussion

Context of Village Fund Management in Matobe Village

Matobe Village is one of the villages located in Sikakap District, Mentawai Islands Regency, West Sumatra Province. The village represents a remote archipelagic community where geographical isolation, limited transportation connectivity, relatively weak public infrastructure, and constrained institutional capacity continue to influence the implementation of public policies and the delivery of public services. These contextual characteristics make Matobe Village an appropriate setting for evaluating the effectiveness of village fund management within Indonesia's decentralization framework.

In 2020, Matobe Village received a village fund allocation of IDR 1,017,168,700, representing part of the IDR 3,403,104,500 allocated to the three villages in Sikakap District. The financial data used in this study refer to Fiscal Year 2020 because they correspond to the implementation period during which field observations, institutional assessments, and respondent perceptions were collected. Maintaining consistency between the fiscal data and the survey period ensures that the statistical analysis accurately reflects the implementation conditions experienced by village officials and community members during the same policy cycle.

Although village fund allocations have continued in subsequent fiscal years under evolving national regulations, this study specifically evaluates the implementation effectiveness of the 2020 village fund program rather than comparing fiscal allocations across different years. Consequently, the analysis focuses on implementation performance instead of changes in budget magnitude over time.

Normatively, village funds are intended to strengthen village development, improve public services, promote community empowerment, and enhance community welfare. However, the findings indicate that achieving these objectives depends not only on fiscal allocation but also on the capacity of village institutions to implement development programs effectively, transparently, and accountably.

These implementation challenges are closely associated with the local characteristics of Matobe Village. The village economy remains heavily dependent on traditional agriculture and fisheries, while agricultural commodities such as bananas, durian, and areca nuts continue to be managed predominantly through conventional production systems with limited downstream processing and institutional support. As a result, the considerable economic potential of these commodities has not yet been fully translated into sustainable improvements in community welfare.

Educational conditions further influence village fund implementation. The relatively low educational attainment of many residents affects their understanding of village financial management procedures, participation in village deliberation forums, and capacity to exercise effective social oversight of village development programs. These socioeconomic conditions suggest that improving village fund management requires not only financial resources but also investments in institutional strengthening, administrative capacity, and community empowerment.

The empirical findings are further supported by objective observations of local development conditions. Limited educational and health facilities, inadequate road infrastructure, and dependence on rivers as the primary source of domestic water continue to constrain the quality of public services. These objective conditions reinforce respondents' perceptions that effective village fund management should prioritize not only physical infrastructure but also improvements in basic public services, environmental management, institutional capacity, and community empowerment. This triangulation between respondents' perceptions and observable village conditions strengthens the empirical validity of the study by demonstrating that the survey findings are consistent with the broader development context of Matobe Village.

Taken together, these findings demonstrate that the effectiveness of village fund management in Matobe Village should be interpreted within its broader archipelagic governance context. Geographic isolation, socioeconomic limitations, institutional constraints, and environmental challenges collectively shape how village fund policies are implemented and explain why effective implementation requires more than the provision of financial resources alone.

Respondent Characteristics

The study involved 84 respondents, all of whom met the eligibility criteria established for evaluating village fund management. The respondents represented diverse demographic and socioeconomic backgrounds, enabling the study to capture community perceptions from individuals directly affected by village fund policies and local development programs.

Based on educational attainment, respondents were predominantly senior high school graduates (42.9%), followed by elementary school graduates (33.3%), junior high school graduates (10.7%), bachelor's degree holders (10.7%), and diploma graduates (2.4%). This educational profile indicates that most respondents possessed basic or secondary educational backgrounds, reflecting the educational characteristics of the local community and providing an important context for interpreting issues related to public participation, information dissemination, and financial governance.

Based on gender, 55 respondents (65.5%) were male and 29 respondents (34.5%) were female. Regarding occupation, the largest groups consisted of farmers (33.3%) and fishermen (32.1%), followed by students (14.3%), private-sector employees (10.7%), and civil servants (9.5%).

Table 1. Respondent Characteristics

Characteristics	Category	Frequency	Percentage
Gender	Male	55	65.5%
Gender	Female	29	34.5%
Education	Elementary School/Equivalent	28	33.3%
Education	Junior High School/Equivalent	9	10.7%
Education	Senior High School/Equivalent	36	42.9%
Education	Diploma	2	2.4%
Education	Bachelor’s Degree	9	10.7%
Occupation	Student	12	14.3%

Characteristics	Category	Frequency	Percentage
Occupation	Fisherman	27	32.1%
Occupation	Farmer	28	33.3%
Occupation	Civil Servant	8	9.5%
Occupation	Private Sector Worker	9	10.7%

Source: obtained from primary data

The occupational distribution demonstrates that respondents were predominantly engaged in agriculture and fisheries, two sectors that depend directly on village infrastructure, economic empowerment programs, and public service provision financed through village funds. Consequently, these respondents constitute an appropriate source of information for evaluating the implementation and effectiveness of village fund management because they experience the direct impacts of village development policies in their daily economic and social activities.

Furthermore, the diversity of respondent characteristics enhances the credibility of the perception-based findings by incorporating views from multiple community groups rather than relying exclusively on village officials. This broader representation reduces the risk of institutional bias and provides a more comprehensive assessment of village fund management from the perspective of policy beneficiaries.

The Influence of Communication on the Effectiveness of Village Fund Management

The findings indicate that communication constitutes an important component of village fund management effectiveness in Matobe Village. Although the regression analysis confirms that communication contributes significantly to the overall implementation model, the empirical evidence also suggests that communication practices have not yet achieved the level of clarity, consistency, and transparency required to fully support effective village financial governance. Rather than functioning solely as a mechanism for disseminating information, communication determines whether village policies are understood, accepted, and implemented collaboratively by both village officials and community members.

The statistical findings imply that weaknesses in communication may reduce community participation throughout the village financial management cycle, including planning, implementation, monitoring, and accountability. This situation is reflected in respondents' perceptions that information concerning village fund allocation, development priorities, implementation procedures, and financial accountability has not always been communicated comprehensively through village deliberation forums or other public information channels. Consequently, information asymmetry continues to limit opportunities for meaningful public participation and social oversight.

These findings are consistent with the policy implementation framework proposed by Edwards III (1980), which argues that communication represents a fundamental prerequisite for successful policy implementation because policy objectives cannot be effectively translated into administrative action unless they are transmitted clearly, consistently, and accurately. In the context of village financial governance, communication functions not only as an administrative process but also as a governance mechanism that promotes transparency, accountability, and collaborative decision-making.

The present findings are also consistent with previous empirical studies. Kapita et al. (2021) reported that ineffective communication and weak institutional coordination frequently constrain the implementation of village fund policies. Similarly, Inaku and Abdussamad (2025) concluded that communication quality significantly influences the implementation of village fund allocation by improving public understanding and facilitating cooperation between implementers and local communities. The consistency of these findings suggests that communication remains one of the most persistent implementation challenges across Indonesian villages despite differences in local governance contexts.

However, the communication challenges observed in Matobe Village should also be interpreted within its distinctive archipelagic context. Geographic isolation, dispersed settlements, transportation constraints, and relatively limited access to information increase the complexity of disseminating policy information uniformly across the community. These conditions imply that communication strategies that may be effective in mainland villages cannot necessarily be implemented with the same effectiveness in remote island communities. Consequently, strengthening communication in archipelagic villages requires not only regular village deliberation meetings but also the development of more accessible, inclusive, and context-sensitive information dissemination mechanisms capable of reaching geographically dispersed populations.

From a policy perspective, these findings indicate that improving communication should become a strategic priority for strengthening village fund management. Greater transparency through publicly accessible financial reports, routine dissemination of village development information, expanded community consultation, and more inclusive deliberation processes would likely improve public trust, encourage broader participation, and enhance the accountability of village fund implementation.

The Influence of Resources on the Effectiveness of Village Fund Management (Revised)

The findings further demonstrate that resource availability plays an important role in determining the effectiveness of village fund management. Nevertheless, the empirical evidence indicates that the principal resource constraints are associated not with the amount of financial resources available but with the administrative, technical, and institutional capacity required to manage those resources effectively. This distinction is particularly important because adequate fiscal transfers cannot automatically produce effective development outcomes when implementation capacity remains limited.

Respondents perceived that limitations in administrative competence, financial management skills, technical expertise, and supporting facilities continue to affect the quality of village fund implementation. These limitations influence multiple stages of the financial management cycle, including planning, budgeting, implementation, reporting, and accountability. Consequently, village fund management tends to emphasize administrative compliance rather than achieving optimal developmental outcomes for the community.

These findings support Edwards III's proposition that resources encompass not only financial inputs but also competent human resources, organizational capacity, administrative systems, and supporting infrastructure necessary for effective policy implementation. Within the context of village governance, implementation capacity depends largely on the ability of village officials to translate financial allocations into accountable development programs that respond to local needs.

The present findings are consistent with Islamiyah et al. (2020), who emphasized that the competence of village officials substantially influences the quality of village financial management. Likewise, Firmansyah (2025) demonstrated that weaknesses in administrative capacity and internal control systems increase the risk of ineffective financial governance despite the availability of adequate financial resources. Together, these studies reinforce the argument that strengthening human resource capacity remains a fundamental prerequisite for improving village fund management effectiveness.

The importance of resources becomes even more pronounced within the archipelagic environment of Matobe Village. Geographic isolation limits access to professional training, technical assistance, administrative supervision, and digital public services that are more readily available in mainland districts. Transportation barriers further complicate coordination between village governments and higher administrative authorities, thereby reducing opportunities for continuous institutional capacity development. Consequently, resource limitations in archipelagic villages should be understood as multidimensional challenges encompassing human resources, institutional support, infrastructure, and accessibility rather than financial constraints alone.

These findings suggest that efforts to improve village fund management should prioritize long-term institutional capacity development through continuous professional training, technical assistance, digital financial management systems, and strengthened administrative supervision. Such interventions would enhance the ability of village governments to utilize village funds more effectively while simultaneously improving accountability, transparency, and public service delivery within remote island communities.

The Influence of Disposition on the Effectiveness of Village Fund Management

The findings indicate that the disposition of policy implementers contributes to the effectiveness of village fund management in Matobe Village. The statistical evidence suggests that implementation effectiveness is influenced not only by administrative procedures and institutional arrangements but also by the commitment, integrity, responsibility, and responsiveness demonstrated by village officials throughout the implementation process. These findings highlight that successful village fund management depends on the willingness of implementers to translate policy objectives into accountable public services rather than merely complying with administrative requirements.

Respondents' perceptions indicate that although village officials generally perform their assigned responsibilities, implementation practices remain characterized by a relatively centralized decision-making process. Several village fund activities continue to rely heavily on the leadership of the village head, thereby limiting the distribution of responsibilities among other village officials. Such conditions may reduce institutional learning, weaken internal control mechanisms, and create an imbalance in organizational workload. Consequently, implementation effectiveness depends not only on the presence of committed leaders but also on the collective commitment of all implementing actors.

These findings support Edwards III's implementation model, which emphasizes that disposition represents the willingness of implementers to faithfully execute public policies according to their intended objectives. Even when communication is effective and resources are available, implementation outcomes may remain suboptimal if policy implementers demonstrate insufficient commitment, weak integrity, or limited responsiveness to community needs. Therefore, disposition functions as an important organizational factor that determines whether formal regulations are translated into effective governance practices.

The findings are consistent with Febrianti and Wicaksono (2020), who argued that the commitment and responsibility of policy implementers significantly influence policy implementation performance. Likewise, previous studies on village governance have emphasized that ethical leadership, organizational commitment, and public service orientation contribute substantially to improving accountability and strengthening community trust in village governments. The present study reinforces these conclusions by demonstrating that implementer attitudes remain an important determinant of village fund management effectiveness within an archipelagic setting.

The importance of disposition becomes particularly evident in geographically isolated villages such as Matobe. Limited institutional capacity and restricted external supervision require village officials to exercise greater professional responsibility because opportunities for direct monitoring by higher levels of government are relatively constrained. Consequently, ethical commitment and organizational responsibility become essential mechanisms for maintaining accountability and ensuring that village funds are managed in accordance with community priorities.

From a practical perspective, these findings suggest that strengthening village fund management requires institutional efforts that extend beyond administrative reforms. Continuous ethics training, leadership development, performance evaluation, and mechanisms that encourage shared responsibility among village officials are necessary to cultivate a stronger implementation culture capable of supporting transparent and accountable village financial governance.

The Influence of Bureaucratic Structure on the Effectiveness of Village Fund Management (Revised)

The findings further indicate that bureaucratic structure contributes significantly to the effectiveness of village fund management. The empirical evidence demonstrates that implementation effectiveness depends not only on the competence of individual officials but also on how responsibilities are distributed, organizational procedures are implemented, coordination is maintained, and institutional supervision is carried out throughout the financial management process.

Respondents perceived that coordination among village institutions has not yet functioned optimally. Village fund implementation requires continuous collaboration among village officials, the Village Consultative Body, district authorities, and community representatives during planning, budgeting, implementation, reporting, and accountability stages. However, weaknesses in coordination and role clarification may reduce administrative efficiency, delay program implementation, and weaken accountability mechanisms.

These findings are consistent with Edwards III's argument that bureaucratic structure provides the institutional framework through which public policies are implemented. Clearly defined organizational responsibilities, standardized operating procedures, effective coordination, and adequate supervisory mechanisms enable policy implementation to proceed efficiently and consistently. Conversely, fragmented organizational arrangements may generate overlapping responsibilities, administrative delays, and reduced policy effectiveness.

The present findings are also consistent with Arifin (2020), who emphasized that institutional coordination and clearly defined administrative procedures are fundamental components of effective village governance. Previous studies similarly demonstrate that bureaucratic fragmentation frequently undermines accountability and reduces the efficiency of village fund implementation, particularly when institutional roles and supervisory functions are insufficiently coordinated.

The influence of bureaucratic structure becomes increasingly important in the context of archipelagic governance. Geographic separation between villages and higher administrative authorities may reduce the frequency of institutional coordination, technical supervision, and administrative assistance. Consequently, village governments operating in remote island regions require stronger internal organizational arrangements to compensate for limited external institutional support. Under these conditions, effective bureaucratic structures function not only as administrative mechanisms but also as organizational safeguards that ensure continuity, accountability, and transparency in village fund management.

These findings indicate that strengthening village fund governance requires improvements in organizational coordination rather than merely expanding administrative procedures. Greater role clarity among village officials, more effective coordination between the Village Government and the Village Consultative Body, consistent implementation of standard operating procedures, and strengthened internal supervision would enhance institutional effectiveness while improving the accountability of village fund implementation in remote archipelagic communities.

The Simultaneous Influence of Communication, Resources, Disposition, and Bureaucratic Structure

The results of the multiple linear regression analysis demonstrate that communication, resources, disposition, and bureaucratic structure collectively exert a statistically significant influence on the effectiveness of village fund management in Matobe Village. As presented in Table 2, the regression model produced an F-value of 12.026, which exceeds the critical F-table value of 2.4858 at the 95% confidence level. Furthermore, the significance value of 0.000 indicates that the four implementation variables jointly explain variations in village fund management effectiveness beyond what would be expected by chance. These findings provide empirical support for the proposed research model and confirm that policy implementation should be understood as a multidimensional process involving the interaction of several institutional factors rather than a single determinant.

Table 2. ANOVA Results of Multiple Linear Regression

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	230.369	4	57.592	12.026	0.000
Residual	378.333	79	4.789		
Total	608.702	83			

Source: obtained from primary data

The coefficient of determination further indicates that the regression model explains a meaningful proportion of the variation in village fund management effectiveness. The Adjusted R Square value of 0.347 demonstrates that communication, resources, disposition, and bureaucratic structure collectively account for 34.7% of the observed variation in the dependent variable. Although this explanatory power can be considered moderate, it also indicates that approximately 65.3% of the variation is associated with other factors that were not included in the present model.

These findings suggest that the effectiveness of village fund management cannot be fully explained by implementation variables alone. Village financial governance is inherently complex and is also likely to be influenced by additional institutional, socioeconomic, political, and contextual factors. These may include community participation, leadership capacity, political dynamics, financial literacy, external supervision, village facilitator support, digital administrative capacity, and local governance culture. Consequently, the present findings should be interpreted as demonstrating the substantial contribution of implementation capacity while simultaneously acknowledging the broader institutional environment within which village fund management operates.

The results strongly support Edwards III's policy implementation framework, which argues that implementation success depends on the interaction among communication, resources, disposition, and bureaucratic structure rather than on the strength of any single implementation component. The significant regression model observed in this study reinforces the proposition that effective village fund management requires institutional coherence, where clear communication, adequate organizational resources, committed implementers, and effective bureaucratic arrangements function together to support policy implementation. Weaknesses in any one of these dimensions may reduce the overall effectiveness of village financial governance despite the availability of adequate fiscal resources.

The present findings are broadly consistent with previous studies reporting that village fund implementation is shaped by multiple institutional factors. Kapita et al. (2021) highlighted the importance of communication and coordination in improving policy implementation, while Azizah and Prabawati (2021) emphasized the role of institutional capacity and organizational coordination. Similarly, Inaku and Abdussamad (2025) demonstrated that communication quality and resource availability influence village fund implementation, whereas Firmansyah (2025) underscored the importance of administrative competence and internal control in strengthening village financial accountability. Collectively, these studies and the present findings reinforce the argument that successful village fund management requires integrated improvements across multiple dimensions of policy implementation rather than isolated administrative interventions.

An important contribution of this study lies in demonstrating that the interaction among implementation factors should also be interpreted within the context of archipelagic governance. Unlike many previous studies conducted in mainland villages, Matobe Village experiences additional implementation challenges associated with geographical isolation, dispersed settlements, transportation constraints, limited institutional accessibility, and restricted administrative support. These conditions increase the complexity of policy implementation and may reduce the effectiveness of institutional coordination, information dissemination, technical assistance, and supervisory mechanisms. Consequently, implementation capacity becomes particularly important in ensuring that village fund allocations are translated into meaningful development outcomes in remote island communities.

The findings therefore extend the existing literature by illustrating that implementation effectiveness is influenced not only by organizational factors but also by the geographical and institutional context within which village governments operate. This perspective contributes to the growing literature on village financial governance and decentralization by emphasizing that the success of fiscal decentralization depends not only on the transfer of financial resources but also on the capacity of local institutions to implement public policies under diverse territorial conditions.

From a practical perspective, the findings suggest that improving village fund management requires an integrated governance approach. Efforts to strengthen communication should be accompanied by continuous capacity development for village officials, improvements in institutional coordination, reinforcement of organizational accountability, and greater community participation. Such integrated interventions are particularly important in archipelagic regions, where geographical constraints amplify the institutional challenges associated with policy implementation.

Conclusion

This study demonstrates that communication, resources, disposition, and bureaucratic structure are collectively and significantly associated with the effectiveness of village fund management in Matobe Village, Sikakap District, Mentawai Islands Regency. The multiple regression analysis produced an F-value of 12.026, exceeding the critical F-table value of 2.4858, with a significance level of 0.000, indicating that the four implementation dimensions jointly contribute to explaining variations in village fund management effectiveness. Furthermore, the Adjusted R Square value of 0.347 suggests that the proposed model explains 34.7% of the observed variation in the dependent variable, while the remaining 65.3% may be associated with other institutional, socioeconomic, and contextual factors beyond the scope of this study.

The findings suggest that effective village fund management is closely related to the quality of policy implementation. The results indicate that communication supports transparency and public understanding of village fund policies; resources contribute to the administrative and technical capacity required for financial management; disposition reflects the commitment and responsibility of implementers in carrying out village governance; and bureaucratic structure facilitates coordination, accountability, and organizational effectiveness. Rather than operating independently, these implementation dimensions should be understood as complementary components of an integrated governance system that supports village financial management.

This study also highlights the importance of considering the archipelagic context when evaluating village fund management. The geographical characteristics of Matobe Village—including geographical isolation, limited infrastructure, constrained institutional capacity, and socioeconomic conditions shape the environment in which village fund policies are implemented. These contextual conditions suggest that strengthening implementation capacity is particularly important for improving village financial governance in remote island communities and for supporting the broader objectives of fiscal decentralization.

From a practical perspective, the findings suggest that efforts to improve village fund management should emphasize greater transparency in public communication, continuous capacity development for village officials, stronger institutional coordination, clearer administrative responsibilities, and broader community participation in village governance. Such integrated institutional improvements may enhance the effectiveness of village fund management, particularly in geographically isolated areas where implementation challenges are more complex.

Several limitations should also be acknowledged. This study employed a cross-sectional design and focused on a single village, meaning that the findings should be interpreted within the context of the study rather than generalized to all villages. In addition, the proposed model explains only part of the variation in village fund management effectiveness, indicating that other factors may also contribute to implementation outcomes. Future research is therefore encouraged to incorporate additional variables, such as village leadership, community participation, external supervision, the capacity of the Village Consultative Body, digital governance, and the role of village facilitators, while also expanding the analysis to multiple villages and different regional contexts to enhance the generalizability of the findings.

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