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How Social Welfare Program, Transparency and Accountability of Rural Funding Management Enhancing the Public Welfare

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Abstract

Public welfare is a concern that the government continues to resolve. The government has undertaken various efforts to improve public welfare. This research aims to determine the influence of goverment social welfare programs known as family hope program (PKH), transparancy and accountability of rural funding management on public walfare in Gaya Jaya Village, Lawe Sigala Gala District, and Southeast Aceh. The population used in this research is the citizens of Gaya Jaya Village, Lawe Sigala-Gala District, Southeast Aceh who obtaining grants from government social walfare program (PKH). The whole population of this research is used as a sample. The number of samples used in this research amounted to 41 respondents. This research data is primary data obtained from research questionnaires, distributed to all respondents. The results of this research show that the goverment social welfare programs, transparency and accountability of rural funding management have positive and significant effect on public walfare in Gaya Jaya Village, Lawe Sigala Gala District, and Southeast Aceh. From the results of this research, it is expected that in the next government social welfare program there will be no mistargeting in assisting the public.

Keywords: Social Walfare Program, Transparency, Accountability of Rural Funding Management, Public Welfare

Introduction

Poverty is considered to be one of the problems in Indonesia. According to data from the Central Statistics Agency as of March 2023, there are still 25.9 million poor people in Indonesia (BPS, 2023). So that the Indonesian government in every work programs always attempts to prioritize the achievement of public welfare to reduce the poverty level of the society. Every

resident or community certainly wants welfare both at the economic, educational and health levels. Public welfare is a condition of fulfilling the material, spiritual and social needs of citizens in order to live properly and be able to develop themselves, in order to fulfill their social functions. Unfulfilled welfare levels result in underdevelopment, poverty and economic distress.

Table 1. Poverty Rate and Education Level in Gaya Jaya Village

Year	Poverty Rate	Education Level
2019	35%	50% graduated from elementary level
2020	35%	50% graduated from elementary level
2021	30%	50% graduated from elementary level
2022	30%	50% graduated from elementary level

Source: Desa Gaya Jaya (2022)

An attempt to improve public welfare is to implement income protection activities by providing social assistance (Apriani et al., 2023; Chang et al., 2022; Fitrinitia & Matsuyuki, 2022). One of the programs issued by the Indonesian government is a qualifying welfare program known as the Family Hope Program (PKH). PKH is a social assistance program to households that meet certain qualifications by imposing requirements in order to change the behavior of the poor.

Transparency is the openness of the government to provide information that needs to be disclosed to the public regarding decisions and implementation of work performed by the government (Vian, 2020). Transparency in the rural funding management system is intended as an attempt to realize good and open governance. With transparency, it is hoped that all government programs can be acknowledged by the public, good transparency if the government is able to provide all information to the public, and easy access to this information (Bisogno & Cuadrado-Ballesteros, 2021). Transparency improves public trust in government performance.

Accountability is the government's obligation to provide performance accountability to the public. Accountability is manifested by reports that can account for the management of funding or financial resources, using the principles of planning, implementation accountability, and reporting (Sofyani et al., 2020). The implementation of rural funding accountability provides information to the central government where the rural funding program has been well organized, in addition, the public is given the media to find out what the village government has done with the funds received from the central government. To ensure that the rural funding program has been distributed by the village government, the government and society should be involved in monitoring the implementation process with the aim of whether the rural funding has been managed in accordance with the expectations of the central government and society. The involvement of the government and the public begins with program establishment, budget preparation, and accountability reporting (Gibran et al., 2021)

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Literature Review

In the early 1970s, researchers conducted research on risk allocation between individuals and communities. The research found that risk allocation can be problematic because individuals and communities have different criteria for risk. So the meaning of this theory is an agency relationship between principals who are dedicated to managing work or agents. Agency theory is a theory that explains the actions of parties involved in a contractual relationship. This is usually done or applied by companies or management. An agency relationship is a division of authority in the form of principals giving authority to agents to carry out all work programs on behalf of principals when making decisions (Vitolla et al., 2020). In Indonesia itself, agency relationships have been carried out unconsciously, especially in the public sector, where the principals are the people and the agents are the government.

Public Welfare

Public welfare consists of two words, namely Welfare and Public. Welfare means safe, secure, and prosperous (free from all kinds of disturbances, difficulties, and others). Welfare is a state of well-being, security, safety, and tranquility (pleasure of life and others), prosperity (Telaumbanua & Ziliwu, 2022). According to Law No. 11 of 2009, concerning Public Welfare, public welfare is a condition of fulfilling the material, spiritual, and social needs of citizens in order to live properly and be able to develop themselves, so that they can carry out their social functions. Indicators of public welfare according to Gibran et al. (2021) include the following:

a. Income
b. Education
c. Health
d. Housing.

The Family Hope Program (PKH) is a social protection program that provides cash transfers to very poor families. Prospective PKH recipients are required to fulfill the predetermined requirements and conditions. This program, in the short term, aims to reduce the burden on very poor families and in the long term is expected to break the chain of poverty between generations, so that the next generation can break out of poverty (Hasna et al., 2019). According to Fitrinitia & Matsuyuki, (2022) the indicators used in measuring the Family Hope Program are:

a. Having an active facilitator to conduct regular meetings with PKH participants
b. The benefits received are in accordance with the family composition
c. Can take advantage of health and education facilities as well as possible
d. The society is helped from a financial point of view by becoming a PKH recipient.

Social Welfare Program (PKH)

Agency theory in social welfare programe namely the family hope program (PKH), the government as an agent should be accountable to society who act as principal regarding the distribution of PKH funds to improve public welfare. Research by Apriani & Hani, (2016)

shows that there is a significant influence between the Family Hope Program and public welfare. Research conducted by Fitrinitia & Matsuyuki, (2022) shows that the PKH program can be the first step in poverty reduction and become a strategy to develop the ability of the poor to obtain income. Based on the explanation above, the researchers formulated the following hypothesis.

H1: The Family Hope Program (PKH) has a positive and significant effect on public welfare.

Transparency

Transparency is the principle of disclosure to the public to obtain access to truthful, honest, and non-discriminatory information about the organization's operations (Gabriel & Castillo, 2020). According to Gabriel & Castillo, (2020), the indicators used to measure transparency are as follows:

a. Deliberations that involve the society.
b. Access to information and transparent disclosure regarding program planning.
c. Access to information and transparent information on program implementation.
d. There is access to information and transparent disclosure regarding program accountability.

Agency theory is related to transparency where the principle of disclosure of the local government acts as an agent to provide actual information to the public regarding all planning processes for implementing government programs to improve public welfare. In research (Bauhr & Carlitz, 2021) transparency affects the improvement of the quality of education and health related to public welfare. Research conducted by Gabriel & Castillo, (2020); Kosack & Fung, (2014) supports these results where transparency has an influence on the level of public services carried out by the government which will have an impact on improving welfare. Based on the explanation above, the hypotheses in this study are:

H2: Transparency has a positive and significant effect on Public Welfare

Accountability

Accountability is the obligation of the organization's managers to fulfill accountability and explain the performance and actions of the organization to the community. This explains that every village financial management activity must be accountable to the village community, in accordance with statutory regulations and is important to ensure the values of efficiency, effectiveness and reliability in village financial reporting which contains activities ranging from planning to implementation (Vian, 2020). In several studies (Andreassen, 2019; Gibran et al., 2021; Jann & Lægreid, 2015; Malbon et al., 2019) mentioned indicators to measure accountability are:

a. Community involvement in the management of village funds.
b. The achievement of objectives in the management of village funds in one fiscal year.
c. Supervision by the implementation team.
d. The existence of accountability reporting for village fund management.

The link between Agency Theory when associated with the accountability of village fund management is where the village government, which acts as an agent, must be accountable to the community, which acts as a principal, regarding the process of managing village funds to the results of the village fund management process. In research (Malbon et al., 2019) explained that in government management good accountability is needed so that it has implications for achieving welfare. Research (Gibran et al., 2021) explains that low accountability also has an impact on the welfare of the community. Based on the explanation above, the hypotheses in this study are:

H3: Accountability of rural funding management has a positive and significant effect on Public Welfare

Research Method

This research type is causality-associative research. Causality-associative research is a type of research that has the aim of knowing the relationship and causal influence of PKH variables, transparency , and accountability of rural funding management on public welfare (Sugiyono, 2015). The population used in this study is the Gaya Jaya Village Society, Lawe Sigala-Gala District, Southeast Aceh. The sampling technique in this research is purposive sampling with the criteria (1) PKH beneficiaries, (2) beneficiaries aged 17 years and over. Based on the above criteria, the number of PKH beneficiaries aged 17 years and over was 41 people. Research data was obtained by distributing research questionnaires to respondents. Furthermore, the questionnaire data obtained was tested for validity and reliability. All valid and reliable question items are tested using the classical assumption test to obtain data that is best linear unbiased estimator (blue) for multiple linear regression testing.

Research Findings

This research was conducted by distributing questionnaires to 41 respondents. The questionnaire return rate is 100%.

Table 1. Multiple Regression Analysis

Model	Unstandardized Coefficients	
	B	Std. Error
(Constant)	4.948	3.594
PKH	.249	.118
Transparancy	.666	.155
Accountability	.339	.123
Dependent Variable: Public Welfare		

From the table above, the multiple linear regression equation can be found as follows:

Public Welfare = 4,948 + 0,249 PKH + 0,666 Transparancy + 0,339 Accountability

1. The constant value is 4.948, meaning that if the PKH variable, transparency, and accountability of rural funding management are assumed to remain constant, public welfare will be valued at 4.948 points.
2. The PKH regression coefficient value of 0.249 states that every one point increase in PKH value will be followed by an increase in public welfare of 0.249 points.
3. The transparency regression coefficient value of 0.666 states that every one point increase in transparency value will be followed by an increase in public welfare by 0.667 points.
4. The regression coefficient value of Accountability of Rural Funding Management of 0.339 states that every one point increase in the value of accounting of rural funding management will be followed by an increase in public welfare of 0.339 points.

Table 2. T Test Value

Model	T	Sig.
(Constant)	1.377	.177
PKH	2.113	.041
Transparancy	4.302	.000
Accountability	2.761	.009
Dependent Variable: Public Welfare		

Based on the t-test results above, it can be concluded that:

1. PKH, the t value is 2.113 > t-table 1.687 and sig value. 0.041 <0.05, then H1 is accepted. This explains that the PKH variable has a positive and significant effect on Public Welfare.
2. Transparency, obtained t value 4.302 > t-table 1.687 and sig value. 0.000 <0.05, then H1 is accepted. This explains that Transparency has a positive and significant influence on Public Welfare.
3. Accountability of rural funding management, obtained a t value of 2.761> t-table 1.687 and a sig value. 0.009 <0.05, then H1 is accepted. This explains that the Accountability of rural funding management has a positive and significant influence on public welfare.

Table 3. Coefficient of Determination

R	R Square	Adjusted R Square
.740[a]	.547	.511

Based on the table above, it can be seen that the R value is 0.740, which means that the relationship between PKH, Transparency and Accountability of rural funding management with public welfare is quite tight, while the Adjusted R Aquare value is 0.511, which means that PKH, Transparency and Accountability of rural funding management explain the value of

public welfare in Gaya Jaya Village, Lawe Sigala-Gala District, Southeast Aceh by 51.1% while the remaining 48.9% is explained by other variables not included in this research model.

Discussion

Social Welfare Program

This program is very helpful for people who are economically disadvantaged, but very often in social programs like this there is mistargeting, meaning that the people who receive the rocks are not in accordance with the established criteria. The success of PKH is seen from the reduction of poverty in Very Poor Households (RTSM). This can be seen from the economic improvement in the beneficiaries of the Family Hope Program. There are several households that receive PKH assistance that have experienced good economic improvement but still receive assistance from the Family Hope Program, and PKH recipient households that have experienced economic improvement should be transferred to RTSM who do not receive assistance and who are eligible according to the criteria and conditions given.

The results of the Family Hope Program (PKH) variable questionnaire show that the percentage of indicators of companion meetings with PKH participants explains that 63% strongly agree and 32% agree that the companion is active in conducting meetings with PKH participants. The indicator of the suitability of the amount of assistance received explains that 73% strongly agree and 17% agree that the assistance received by PKH recipients is in accordance with the composition of PKH recipient families. The education and health indicator explains that 76% strongly agree and 24% agree that PKH recipient families can make good use of health and education facilities, namely with a minimum education level of 12 years and get good health facilities. The indicator of the assistance of PKH recipients explained that 78% strongly agreed and 20% agreed that PKH recipients were helped in the welfare of the household after becoming PKH beneficiaries. From these results, it can be seen that the PKH variable has been very well implemented in Gaya Jaya village. From the results it is also found that the welfare of the community in Gaya Jaya village has improved, so PKH has an effect in improving public welfare.

Transparency

The questionnaire results of the Transparency variable showed that the percentage of the deliberation indicator explained that 71% strongly agreed and 27% agreed that the village held meetings with the community regarding the management of village funds. The access to information and openness indicator explained that 85% strongly agreed and 12% agreed that in the village meeting, the village distributed printouts regarding the management of village funds. The openness indicator of program implementation explained that 88% strongly agreed and 12% agreed that the community could easily access information about the implementation of village programs. The program accountability indicator explained that 71% strongly agreed and 29% agreed that the information received by the community was valid with clear evidence regarding program accountability. From these results, it can be seen that information transparency has been very well implemented in Gaya Jaya village. From the results it is also

found that the welfare of the community in Gaya Jaya village has improved, so that transparency has an effect in improving public welfare.

Accountability of Rural Funding Management

The results of the questionnaire that have been obtained from accountability of rural funding management variable show that the percentage of indicators of community involvement in the management of village funds explains that 73% answered strongly agree and 27% answered agree. The indicator of achieving the objectives of village fund management explained that 76% answered strongly agree and 17% answered agree. The indicator of supervision by the implementation team explained that 78% strongly agreed and 22% agreed. The indicator of accountability of rural funding management reporting explained that 78% strongly agreed and 22% agreed. From these results, it can be seen that accountability of rural funding management has been very well implemented in Gaya Jaya village. From the results it is also found that the public welfare in Gaya Jaya village has improved, so that the accountability of rural funding management has an effect in improving public welfare.

Conclusion

Based on the results of research conducted by the author regarding the Family Hope Program, Transparency and Accountability of rural funding management on public welfare in Gaya Jaya Village, Lawe Sigala-Gala District, Southeast Aceh, it can be concluded that the Family Hope Program (PKH) has a positive and significant effect on Public Welfare in Gaya Jaya Village, Lawe Sigala-Gala District, Southeast Aceh. Transparency has a positive and significant effect on public welfare in Gaya Jaya Village, Lawe Sigala-Gala District, Southeast Aceh. Accountability of rural funding management has a positive and significant effect on public welfare in Gaya Jaya Village, Lawe Sigala-Gala Subdistrict, Southeast Aceh. This shows that the efforts made to improve public welfare are good enough. The limitation of this study is that the variables outside the model that explain the value of public welfare are still quite high, meaning that there are other variables that can affect the value of public welfare. Future research can increase the number of samples by increasing the coverage of areas receiving PKH assistance.

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