

# The Model of Village Funds Implementation Towards Coastal Community Welfare in East Java Province

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**ABSTRACT:** The majority of coastal villages in Indonesia live on marine resources. Economically, their welfare level is much lower compared to non-coastal village communities. One manifestation of the state in this regard is providing subsidies in the form of village funds. The Village Fund is sourced from the State Revenue and Expenditure Budget which functions to finance village government administrative activities, the implementation of development, development and empowerment of village communities. In order to optimally manage village funds, it is necessary to establish mechanisms for the process of allocating, using and reporting. This study aims to find a model of village fund management based on the factors that influence it, as well as its implications for community empowerment. The results of the study came to the conclusion that the main interrelated components in the Village Funds Implementation Model toward Coastal Community Welfare consisted of: Source of Funds, Village Potential, Area Size, Population Size, Village Issues, Community Participation, and Government's Role.

**KEY WORDS:** village funds, village community empowerment, village community welfare

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## I. INTRODUCTION

As a maritime country, Indonesia has potential marine resources to be managed and developed for the welfare of its people. A coastal village is a coastal area where most of the population lives from marine resources. The participation of the government and related parties is needed to encourage and assist the development of coastal villages, utilize natural resources and empower communities to play an active role in village development towards independent villages.

Village fund is a government program to trigger and spur village development sourced from the State Budget (APBN) aimed at villages in accordance with Government Regulation No. 60 of 2014. Village funds are allocated to finance the implementation of village governance, implementation of development, development of village communities and village community empowerment. For the effective use of village funds, an appropriate formulation is needed to manage village funds, not only realized for infrastructure and physical development, but also for efforts to develop village potential and empower citizens (Mujiran, 2017).

The problems in this study are: (1) What is the effective model of village fund management? (2) What factors influence the effective use of village funds? (3) How to empower the community to play an active role in utilizing the potential of the village towards a community prosperous? This study aims to find an effective formula model for village fund management in accordance with the factors that influence its utilization, empowering communities to play an active role in village development by exploring the potential of villages that can be developed towards a prosperous community.

## II. LITERATURE REVIEW

### Village Fund

Village Funds are funds sourced from the State Budget (APBN) allocated to villages in accordance with Government Regulation Number 60 of 2014, to finance the administration of village governance, implementation of development, society development, and society empowerment. The source of funds (Village Funds) in this research is the funds owned by the village of Pesisir as a source of funds for village development and development activities, which are utilized (implemented) by empowering the society through existing village potential.

### Village Potential

According to Siahaan (2004) that the coastal and coastal areas of East Java have quite diverse natural resource potential, including the potential of fisheries, aquaculture, fish processing industries, agriculture, plantations, livestock and coastal tourism. But behind the potential wealth of these natural resources coastal and coastal areas have a variety of fundamental problems, namely the welfare of the society. The Village Potential in

this research is the strength/capability stored and owned by the village of Pesisir, which has the opportunity to be developed as a resource that is able to lift the village economy which has an impact on the welfare of its citizens. The potential of the village is meant as: sea products, such as fish, shrimp, shellfish and coastal tourism.

### **Village Problems**

Is the problem or difficulty faced by the village government in running the government and village development, to achieve the welfare of its citizens. Village Problems in this research is one of the characteristics that are taken into account in order to produce a strategy for implementing village funds so that they are appropriate to the targets related to the village program being undertaken. The village problems in question include: public facilities, village roads, unemployment, citizen participation in village development, capital and business permits etc.

### **Society Participation**

It is defined as the active role of villagers in the development of their villages, according to their respective fields of expertise. The more villagers care and actively participate in village development, the faster the village vision and mission is achieved for the welfare of its citizens. In this research the role and participation of society can be exemplified as: helping village governments in carrying out their work programs, having high concern for advancing their villages, having entrepreneurial spirit to process natural products, not individual in their social life, for citizens who have higher education willing to play a role for his village.

### **Government Role**

As the embodiment of the lowest government of the government of the Unitary State of the Republic of Indonesia, village government also needs attention and the participation of top-level governments. The more active and intense the role of the higher government towards village government through the potential of the village, the faster the pace of development and development of the village area. Government Role in this research is intended as an effort of the central and regional governments, to mediate, facilitate and even help both physical and non-physical efforts of the village to advance and build their villages. Physically it can be in the form of financial assistance, or other village development support facilities, while non-physical activities can be in the form of various extension and training activities and the availability of equipment, which aims to increase the knowledge and ability of villagers involved in village development, to create and innovate empowering and able to provide added value to the natural products of his village. In this research , it can be exemplified, among others: training in processing various marine products, agricultural products and livestock so that they have economic added value and have a higher selling price.

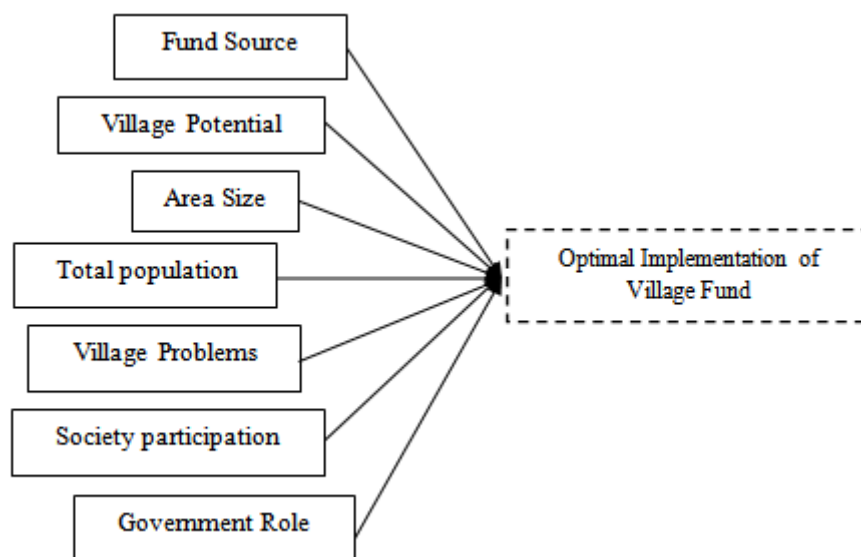
### **Society Empowerment**

According to Nurus Sa'adah (2015) society empowerment is one of the important steps that have participated in influencing the improvement of the welfare of the Indonesian people. Local potential based society empowerment encourages the emergence of entrepreneurs who are able to mobilize local human resources to manage their natural potential. Priyono & Pranaka (1996) say that society empowerment is an effort to increase the dignity of the people who are not able to escape poverty and underdevelopment in the present condition. In other words empowering means providing capacity and empowering the society. The empowerment process that emphasizes the process of giving people the ability to be efficient, encourage or motivate individuals to have the ability or empowerment to determine choices in their life. In this case, empowerment must be aimed at groups or layers of people who are left behind (Priyono & Pranaka, in Manat Rahim et.al, 2014).

### **Society Welfare**

The Coordinating Ministry for People's Welfare provides an understanding of a prosperous society, which is a condition of the people who have fulfilled their basic needs. These basic needs are in the form of adequacy and quality of food, clothing, shelter, health, education, employment, and other basic needs such as a clean, safe and comfortable environment. Also the fulfillment of human rights and participation and the realization of a society of faith and devotion to God Almighty. The Concept of society Welfare according to the Central Bureau of Statistics (BPS, 2007) and the National Family Planning Coordinating Board (BKKBN), the family said to be prosperous if it meets the following criteria: (a) families that can meet the needs of their members, both clothing, food, housing, social and religious needs, (b) families that have a balance between family income and the number of family members; and (c) families that can meet the health needs of family members, live together with the surrounding society, worship fervently in addition to fulfilling their basic needs.

Based on the theoretical study that has been described, author formulate a Conceptual Model of Village Funds Implementation for Coastal Community as shown in Figure 1.



**Figure 1.** Conceptual Model of Village Funds Implementation for Coastal Community

### **Hypothesis**

Base on a problem research and conceptual model, author proposed seven research hypotheses as follows:

- H1 : Fund Source Variables have a significant effect on Village Fund Implementation.
- H2 : Village Potential Variables have a significant effect on Village Fund Implementation.
- H3 : Area Size Variable have a significant effect on Village Fund Implementation.
- H4 : Total Population Variable have a significant effect on Village Fund Implementation.
- H5 : Village Problem Variables have a significant effect on Village Fund Implementation.
- H6 : Society participation Variables have a significant effect on Village Fund Implementation.
- H7 : Variable Government Role have a significant effect on Village Fund Implementation.

### **III. RESEARCH METHODOLOGY**

This study was designed using a mixed research approach that combines quantitative research methods and qualitative research. According to Creswell (2015: 5), mixed methods research will be useful if quantitative methods or qualitative methods are not accurate enough to be used individually to solve research problems. By using quantitative and qualitative methods in combination the best research results can be obtained.

Population is the area of generalization of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions (Soegiono (2011: 80). Based on the problems and research objects that have been determined, the population in this study is the village apparatus, figures community in the coastal village of Gending sub-district, Probolinggo Regency, East Java province. The population determined as research respondents was 40 people consisting of 25 village officials and 15 village community leaders.

In this research, Quantitative Data was taken based on the characteristics and potential of the village through questionnaires and documentation, as follows:

1. Questionnaire technique is a way to obtain data from the views of respondents through the form of filling in a number of questions. Each question is adjusted to the data that you want to obtain to support the analysis of the research related to existing research variables. The results of the respondents' answers to the questions were converted into the Likert scale value that is value 1 represents the opinion strongly disagree, the value 2 represents the opinion disagree, the value 3 represents the opinion neutral, the value 4 represents the opinion agree and the value 5 represents the opinion strongly agree. Questionnaires were given to village officials and society leaders as respondents, which aimed to explore data about factors that influence the use of village funds in village development.
2. Interview Technique, according to Esterberg in Sugiyono (2013: 231), is a meeting of two people to exchange information and ideas through question and answer, so that meaning can be constructed in a particular topic. The interview technique in this research is to ask several questions in the form of a transcript interview, to the respondents.

3. Documentation Technique, According to Sugiyono (2013: 240) the document is a record of events that have passed. Documents can take the form of writing (for example: diaries, history of life (life histories), stories, biographies, regulations, policies), images, or monumental works. The documentation technique in this study is some documents owned by the village of Pesisir, to obtain the data needed in the study.
4. Focus Group Discussion (FGD) is a group discussion directed at problems raised by researchers. The FGD aims to have a dialogue together, face to face with respondents/subject/informant research, to produce direct information from various perspectives, to provide input as research data.

Quantitative data collection includes factors: Source of Funds (Village Funds), Village Potential, Area Size, Total Population, Village Problems, Society Participation, Government Role.

### Data Analysis

Data analysis is the process of systematically searching for and compiling data obtained from observations, documentation, and other materials, so that they can be easily understood, and their findings can be informed to others and used to answer research problems (Bogdan in Sugiyono, 2013: 244 ). Quantitative data analysis in this study was conducted based on the results of observations through questionnaires. From the results of the questionnaire a validity test and reliability test were conducted to obtain data quality that was able to support the research. Then an analysis of the influence and relationship between variables / factors that support the realization of village funds is carried out, as a source of funds for the implementation of various village programs. To get reliable and accurate results, the researcher involved IBM SPSS software as a tool, which produced statistical analysis output. From the output results, it can be seen that more significant factors / variables influence the formation of village fund implementation models to realize the village program. Qualitative data analysis is intended to find real action from the implementation of village funds by involving community empowerment to achieve a prosperous and independent community.

## IV. RESULTS AND DISCUSSION

### Validity Test

Is a test of validity of the questionnaire data obtained. Test the validity with SPSS software by menu analyze>correlate>bivariate. A variable is said to be valid if the corrected item total correlation value is greater than r table.

- value of r table is obtained from  $df=n-2$ , stated that, n is the number of samples at a significance level of 5% ( $\alpha = 0.05$ ).
- According to the calculation of  $df=40-2=38$ , so that it is obtained on r table df 38 value on r table with a 2-way alpha test of 0.05 obtained = 0.312, so if the value of the item is smaller than 0.312 then the item is invalid and should be disposed of better research results.
- r result obtained from the SPSS analysis output, can be presented in the Table 1.

Based on the results of the validity test in the Table 1, it can be seen that all the questions have a correlation coefficient with a score of  $> 0.312$  which is all the r values calculated on each indicator of each variable. Thus all questions are able to measure all research variables. Based on the score, all items can be used in the subsequent analysis.

**Table 1.** Validity Test of Research Indicator Items

Variable	Indicator	R Tabel	R Calculate	Status
Fund Source (X1)	X11	0,312	0,810	Valid
	X12		0,884	Valid
	X13		0,842	Valid
Village Potential (X2)	X21		0,781	Valid
	X22		0,891	Valid
	X23		0,952	Valid
Area Size (X3)	X24		0,952	Valid
	X31		0,587	Valid
	X32		0,829	Valid
	X33		0,627	Valid
Total Population (X4)	X34		0,873	Valid
	X41		0,677	Valid
	X42		0,735	Valid
	X43		0,813	Valid
Village Problems (X5)	X44		0,640	Valid
	X45	0,848	Valid	
	X51	0,884	Valid	
	X52	0,932	Valid	

	X53		0,902	Valid
Society Participation (X6)	X61		0,573	Valid
	X62		0,955	Valid
	X63		0,955	Valid
Government Role (X7)	X71		0,834	Valid
	X72		0,915	Valid
	X73		0,906	Valid
Village Funds Implementation (Y)	Y1		0,769	Valid
	Y2		0,931	Valid
	Y3		0,931	Valid
	Y4		0,931	Valid
	Y5		0,931	Valid

Source: SPSS Output data processing, 2019.

### Reliability Test

Reliability test aims to determine the consistency of the data obtained, the extent to which the answers to the questionnaire can provide results that are relatively consistent over time. This study uses consistency with the Cronbach's Alpha technique because the characteristics of the data are interval. According to Ghozali (2009: 92), states that the results of the reliability test with an alpha coefficient of 0.80 to 1.00 are declared good, 0.60 to 0.70 stated that reliability is accepted, while the alpha coefficient of 0.60 and below is less reliable. Test reliability through SPSS with the analyze> scale> rail menu. A variable is said to be valid if the corrected item total correlation value is greater than r table. Reliability Test Results of each research variable with Cronbach's Alpha values are presented in the Table 2.

**Table 2.** Reliability Test for Each Variable Research

Variable	Number of Indicators	Cronbach's Alpha	Status
Funds Source (X1)	3	0,801	Reliable
Village Potential (X2)	4	0,919	Reliable
Area Size (X3)	4	0,721	Reliable
Total Population (X4)	5	0,792	Reliable
Village Problems (X5)	3	0,872	Reliable
Society Participation (X6)	3	0,799	Reliable
Government Role (X7)	3	0,861	Reliable
Implementation of Village Funds (Y)	5	0,941	Reliable

Source: SPSS Output Data Processing, 2019.

At Table 2 shows that the calculation of the Cronbach  $\alpha$  reliability coefficient for each research variable can be said to be reliable, because it has a value greater than 0.60. So all variables can be used in this study.

### Hypothesis Testing

Hypothesis testing is done to test whether the existing hypothesis has a meaning or significant influence on the dependent variable. Hypothesis testing in this study involves IBM SPSS (Product Service Solution Statistics) software. Hypothesis testing is done by a Simultaneous Test which is to test together all variables and Partial Tests ie hypothesis testing for each variable individually. Simultaneous testing is done by comparing the F result obtained from the ANOVA table with F table statistics:  $df1 = \text{number of independent variables}$  and  $df2 = n - k - 1$ . Partial testing is done by comparing the t result obtained from the regression coefficient table with T Table:  $T_{(n-k-1)\alpha/2}$  with sig 0.05, the proposed hypothesis is accepted, or vice versa rejected.

The T distribution table is searched for  $t_{(n-k-1),\alpha/2}$  at  $\alpha = 5\%/2$  (2-sided test) = 2.5% with degrees of freedom (df) = n - k - 1 or 40 - 7 - 1 = 32 With 2-sided testing (significance = 0.025) the results are obtained for the T table of 2.0369.

### Results of Quantitative Analysis (SPSS)

After the questionnaire data meets the testing requirements for validity and reliability, then the next hypothesis will be tested both simultaneously and partially, as well as knowing the regression and correlation.

### Correlation Analysis

Correlation analysis aims to determine the closeness of the relationship of independent variables to the dependent variable. From the analysis involving IBM SPSS software, the output results are presented in the following table:

Table 3. Research Correlation Results

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.999 <sup>a</sup>	.999	.998	.22375

a. Predictors: (Constant), Government Role, Area Size, Total Population, Village Problems, Society Participation, Fund Source, Village Potential

From Table 3 of SPSS output, obtained the coefficient of determination  $R^2 = 0.999$  or correlation coefficient  $R = 0.999$ , which means that around 99.9% of independent variables (Fund Source, Village Potential, Area Size, Total Population, Village Problems, Society Participation, Government Role) is high enough to be able to explain the Village Fund Implementation variables, while the remaining only 0.01% is explained by other variables not examined in this research.

**Regression Analysis**

From the IBM SPSS analysis, the output results that explain regression or the relationship of the independent variables are obtained as follows:

**Table 4. Research Regression Results**

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.260	.229		-1.133	.265
	Fund Source	.153	.066	.080	2.307	.028
	Village Potential	1.106	.093	.887	11.836	.000
	Area Size	-.020	.026	-.010	-.784	.439
	Total Population	-.107	.020	-.075	-5.443	.000
	Village Problems	.024	.025	.013	.967	.341
	Society Participation	.401	.039	.202	10.293	.000
	Government Role	-.162	.173	-.094	-.940	.354

a. Dependent Variable: Village Fund Implementation

Based on Table 4 in column B, a value can be used to form a linear regression equation in accordance with the multiple regression formulation  $Y = \alpha + \beta_1X_1 + \beta_2X_2 + \dots + \epsilon$ .

So that the multiple linear regression equation model of this research are:

$$Y' = -0,260 + 0,153X_1 + 1,106X_2 - 0,020X_3 - 0,107X_4 + 0,024X_5 + 0,401X_6 - 0,0162X_7$$

**Simultaneous Test**

The Regression Equation Model needs to be tested to determine the effect of independent variables on the dependent variable. Testing of the equations obtained in this study was carried out simultaneously, ie all independent variables were tested together for their influence on the dependent variable. Simultaneous testing with IBM SPSS software and involving the F Test on the results of the Anova table can be presented in Table 5.

**Table 5. Simultaneous Testing with F Table**

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1106.398	7	158.057	3157.128	.000 <sup>b</sup>
	Residual	1.602	32	.050		
	Total	1108.000	39			

a. Dependent Variable: Village Fund Implementation

b. Predictors: (Constant), Government Role, Area Size, Total Population, Village Problems, Society Participation, Fund Source, Village Potential

**Partial Test**

Then partial/individual testing is carried out for each independent variable that is in the dependent variable. Partial testing aims to assess how much influence each independent variable individually has on the dependent

variable, so that which independent variables will most significantly influence the dependent variable. Partial testing involving SPSS software involving the T Test as follows:

**Table 6.** Partial Testing with T Table

Model		Unstandardized Coefficients <sup>a</sup>		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.260	.229		-1.133	.265
	Fund Source	.153	.066	.080	2.307	.028
	Village Potential	1.106	.093	.887	11.836	.000
	Area Size	-.020	.026	-.010	-.784	.439
	Total Population	-.107	.020	-.075	-5.443	.000
	Village Problems	.024	.025	.013	.967	.341
	Society Participation	.401	.039	.202	10.293	.000
	Government Role	-.162	.173	-.094	-.940	.354

a. Dependent Variable: Village Fund Implementation

Partial Testing is done by comparing the T results from the SPSS analysis with T statistical tables, which can be determined as follows: T statistics table is searched with  $t_{(n-k-1),\alpha/2}$  at  $\alpha=5\%/2$  (2-sided test) = 2.5% with degrees of freedom (df)=n-k-1 or 40-7-1 = 32. With 2-sided testing (significance = 0.025) the results obtained for t table are 2.0369. The result of this test are presented in Table 7.

**Table 7.** Conclusion of SPSS Analysis Results

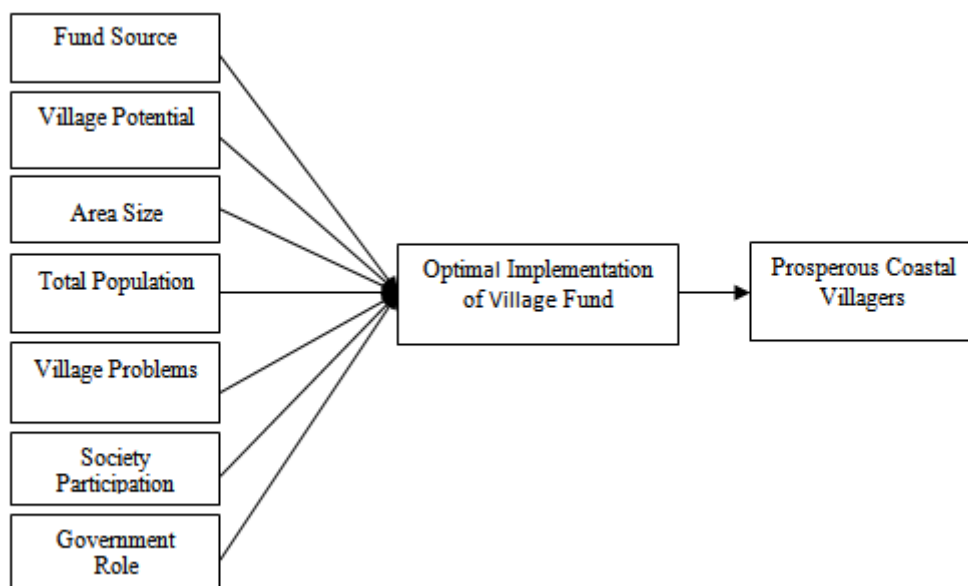
Ranking	Variable	Hypothesis	Regression Coefficient
1	Village Potential (X2)→ Village Fund Implementation (Y)	H2 : Village Potential Variables have a Positive and Significant Effect on Village Fund Implementation	1,106
2	Society Participation (X6)→ Village Fund Implementation (Y)	H6 : Variables of Society Participation have a positive effect on Village Fund Implementation	0,401
3	Fund Source (X1)→ Village Fund Implementation (Y)	H1 : Fund Source Variables have effect on Village Fund Implementation	0,153

## V. DISCUSSION

Quantitative analysis in the village fund management model there are seven aspects that simultaneously influence the optimization of the use of village funds, namely: (1) source of funds, (2) potential of the village, (3) size of the area, (4) population, (5) problems in the village, (6) community participation, and (7) the role of government. However, partially, the Village Potential, Community Participation, and Source of Funding variables have a very significant effect on optimizing the use of village funds. Village potential is the basic capital for village development, both natural and human resource potential. Potential natural resources include natural products and marine products when seriously developed by involving appropriate technology to produce superior products in coastal villages. However, this must also be supported by skilled human resources and actively participating in village development. Support from adequate funding sources is also needed to encourage the successful implementation of village programs. The involvement of other parties in this case the role of government is also very needed in helping, supporting and facilitating coastal communities in the form of training, assistance, skills and management of village potential for marketing, licensing, packaging, and marketing strategies.

The human resource factor which was evaluated from the aspect of total population did not affect the management of village potential. If the human resources in the village do not have the ability, skills and care to actively participate in village development, the village potential is not managed. For factors related to problems in the village also affect the effectiveness of village fund management (although the effect is not too significant). It can be concluded that the fewer problems in the village, the easier it is to manage village funds for development.

Based on the results of the analysis of qualitative and quantitative data, the village fund implementation model that can be operational in the field is as shown in Figure 2 below.



**Figure 2.** Village Fund Implementation Model

The village funds implementation model, that has been made is further elaborated into concrete activities that can be applied by the village government to use village funds to realize village programs for village development. Characteristics and implementation use of village funds shown in Table 8.

**Table 8.** Characteristics and Implementation

Factors	Characteristics	Implementation
Fund Source	<ul style="list-style-type: none"> <li>- Village funds sourced from APBN, is Rp 782.664.239,-</li> <li>- Utilization: (1) making soil retaining walls, (2) making wave retaining gabions, (3) paving the village roads, (4) making bridges, (5) building TK and PAUD, and (6) making Health Posts</li> </ul>	<ul style="list-style-type: none"> <li>- Every village program must use the budget in accordance with the budget that has been submitted and approved by the village</li> <li>- Monitoring and evaluation are carried out to ensure the program runs according to the plan and schedule of activities</li> <li>- Periodic reports on the realization of village program implementation</li> <li>- The retaining wall functions to prevent landslides</li> <li>- Gabions retaining waves are needed to prevent coastal abrasion and protect existing agricultural land</li> <li>- Village roads and bridges are important accesses for the village economy, as a transportation medium for the distribution of natural products</li> <li>- As an educational tool for future generations of coastal villages, educational facilities are available in Coastal Village at the level of PAUD and TK</li> <li>- Need to be built Health facilities for residents of Pesisir village so that they are easy and close to handling community health</li> </ul>
Village Potential	Findings of village potential include: <ul style="list-style-type: none"> <li>- Seafood: fish, shrimp and shellfish</li> <li>- Agricultural sector: Rice</li> <li>- Ranch: Catfish, Duck</li> <li>- Shrimp</li> <li>- Salt</li> <li>- Beach tourism</li> <li>- Constraints in the form of business permits, marketing and capital</li> </ul>	<ul style="list-style-type: none"> <li>- The potential of natural resources is managed independently, namely by providing added value to increase the selling price, enabling cooperation with other parties, from the production process to marketing.</li> <li>- Fish can be obtained as Fish Crackers, with various flavors, and attractive packaging. Can also be processed into Fish Abon products</li> <li>- Shrimp can be processed into a typical Probolinggo Petis, besides being used as a Terasi product</li> <li>- Catfish is processed into Abon Catfish</li> <li>- Duck Eggs are processed into salty eggs special taste</li> <li>- Shells can be processed into Handicraft</li> </ul>



		<p>products, such as photo frame pigments.</p> <ul style="list-style-type: none"> <li>- Craft embroidery for fashion accessories</li> <li>- The potential of coastal seas can be managed as attractive coastal tourism equipped with children's play media, other public facilities, as well as maintaining the beauty and cleanliness.</li> <li>- Need the role of related parties (government) in terms of capital and licensing to the marketing of their products.</li> </ul>
Area Size	<ul style="list-style-type: none"> <li>- 148,252 Ha</li> <li>- Mapping the village area with all the potential contained in it, to get serious handling and development</li> </ul>	<ul style="list-style-type: none"> <li>- Management of potential adjusted residence of villagers. An example of coastal residents getting fish and seafood products, other residents process it into other products or crafts of economic value</li> </ul>
Total Population	<ul style="list-style-type: none"> <li>- 1,223 people consisted of 608 men and 615 women</li> <li>- Mapping population characteristics related to education level and potential expertise. This is to provide expertise for villagers as capital plays a role in development</li> </ul>	<ul style="list-style-type: none"> <li>- There are no villagers who are unproductive and play a role in village development, according to their respective fields of expertise</li> <li>- Active Villages provide facilities for citizens to form communities to increase knowledge, training, skills etc.</li> </ul>
Village Problems	<ul style="list-style-type: none"> <li>- high unemployment, even though there are factories around the village, but not much help. This is due to the low education level of the villagers</li> <li>- Mapping the problems that are owned by the village, to get a solution based on the priority scale of the level of difficulty and the interests of the people in general</li> </ul>	<ul style="list-style-type: none"> <li>- managed intensively as the best employee, by conducting training and skills to be able to open their own business. Like processing and developing marine products, modification and repair of fishing boats</li> <li>- Handling problems internally by the village government, for common problems. For example the availability of infrastructure to support the village economy</li> <li>- Handling problems involves other parties, for problems that the village cannot solve. For example training, licensing, supporting facilities related to the development of village potential</li> </ul>
Society Participation	<ul style="list-style-type: none"> <li>- Village officials and village heads play an active role in village development and development supported by the active participation of the society.</li> <li>- during the winter season (not going to sea) and rice fields affected by planthopper pests so that crop failure, residents are empowered in village development, to obtain salaries as an effort to overcome unemployment</li> </ul>	<ul style="list-style-type: none"> <li>- Involve productive-age villagers, actively in village development.</li> <li>- Maps of the interests and expertise of the villagers, to be given training, skills and assistance by related parties</li> <li>- Schedule intensive training, mentoring and mentoring for villagers according to their interests and potential</li> <li>- Productive villagers must have certain skills / skills in managing village potential</li> </ul>
Government Role	<ul style="list-style-type: none"> <li>- provide training for mothers for fish processing</li> <li>- extension of fisheries and agriculture</li> <li>- constrained business license, capital and marketing of business results, for the continuation of its business</li> </ul>	<ul style="list-style-type: none"> <li>- The government, both at the regional and national levels, is obliged to facilitate the needs of the village government, for village development and development through society empowerment</li> <li>- The formation of village societies through increasing skills / skills to manage village potential</li> <li>- Villagers have expertise / skills in managing village potential so that they have high selling value, through training, coaching</li> <li>- Establishment of institutions that assist in product marketing</li> </ul>

Source: Data Analysis by Researchers (2019)

## VI. CONCLUSION

Based on the results of data analysis and hypothesis testing obtained, the researcher takes several conclusions to answer the formulation of the problem and hypothesis that has been stated previously. The conclusions that can be taken consist of: (1) Factors that influence the formation of village fund implementation models to run the village program, including: (a) Source of Funds, (b) Potential Village, (c) Area of Area, (d) Total Population, (e) Village Problems, (f) Community Participation, (g) Government Role, (2) Of these factors are dominated by Village Potential and Community Participation, (3) The Village Fund Implementation Model is formed, with a description of its concrete activities, (4) Management of natural products (marine products) as Village Potentials becomes a product of economic value, (5) Community empowerment by providing

expertise/skills through training, mentoring, in order to be able to process natural products with high selling value, and (6) As a follow up to community empowerment, the role of the government to facilitate it in the form of increasing knowledge, skills, through training and mentoring for the participation of villagers in managing village potential becomes a superior product, including marketing and product copyright.

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