



Socialization of Community Needs-Based Financial Management in Pakning Asal Village

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Abstract: Village financial management is a strategic instrument in supporting development and improving community welfare. However, in practice, village financial management is often not fully based on the actual needs of the community and lacks public participation in budgeting and oversight processes. This community service activity aims to enhance community understanding and participation in needs-based financial management in Pakning Asal Village. The activity employed a descriptive and participatory approach through socialization, interactive presentations, open discussions, and the dissemination of informational media. The participants included village officials, community leaders, and residents of Pakning Asal Village. The results indicate an improvement in participants' understanding of transparent, accountable, and community-oriented village financial management principles. Furthermore, the activity fostered collective awareness of the importance of active community involvement in planning, implementing, and evaluating the use of village funds. Overall, this community service program contributes to strengthening participatory village financial governance and supports the realization of more effective and sustainable village development.

1. INTRODUCTION

Financial management at the village level plays a crucial role in improving the quality of life for the community. Good financial management is part of the financial management function, which encompasses planning, organizing, directing, and controlling the use of funds to achieve organizational goals effectively and efficiently (Purba et al., 2021; Anwar, 2019). Therefore, financial management at the village level must be based on community needs to ensure that programs truly align with the aspirations and real needs of residents.

A community-based financial management approach emphasizes the importance of community participation in the decision-making process. This participation is key to formulating and implementing financial programs, ensuring that fund use is not top-down, but rather based on deliberations and the community's actual needs (Puteri & Sari, 2023). Therefore, community service programs focused on social development aim to build collective awareness and provide a deeper understanding of the importance of targeted financial management.

Village financial management is crucial for achieving community well-being. Limited funds must be allocated effectively and efficiently to meet diverse community needs, necessitating thorough financial planning and control (Nurdiansyah & Rahman, 2019). Community-based financial management is a financial management approach in which

resource allocation directly considers the needs and aspirations of the community at the sub-district level through participatory mechanisms.

The first step in community-based financial management is identifying community needs. This identification can be done through surveys, deliberations, or discussion forums involving various levels of society. Through this process, the village government can obtain a clearer picture of development priorities in the education, health, infrastructure, and economic sectors (Puteri & Ibhara, 2023). Once community needs are identified, the next stage is preparing a budget plan, which also directly involves the community to ensure all aspirations are accommodated in the financial planning.

Good financial management must be implemented based on the principles of transparency and accountability. The public has the right to know how funds are managed and used, making financial reporting a crucial part of financial management (Purba et al., 2021). Transparency in financial management can increase public trust in the village government and encourage community participation in supporting the success of development programs.

Furthermore, financial program implementation must consider sustainability. Planned programs need to be equipped with maintenance and evaluation mechanisms to ensure long-term benefits. Evaluating fund use is a crucial step in assessing program effectiveness and ensuring alignment between planning and community needs (Puteri & Ibhara, 2023).

Community-based financial management must also be balanced with community empowerment efforts. Improving financial literacy through training, access to information, and community involvement in decision-making will enhance the community's capacity to understand and manage financial resources (Hakim & Kunaifi, 2018; Yushita, 2017). Thus, the community becomes not only an object of development but also an active subject in realizing prosperity in Pakning Asal Village.

2. METHOD

Community Service Activities in the form of Socialization of Community Needs-Based Financial Management were held in Pakning Asal Village on Tuesday, January 21, 2024. The entire series of activities lasted for approximately three and a half hours, starting from 08.00 WIB to 11.30 WIB, as arranged in the activity schedule.

The event began with participant registration to assess attendance and readiness. The event continued with an opening remarks from the Pakning Asal Village Head, marking the official start of the outreach program. This initial phase aimed to foster a sense of community and provide an introduction to the program's objectives and benefits for the community.

The primary method used in this activity was interactive presentation. In this session, the resource person explained the concept of community-based financial management, including the principles of prioritization, budget effectiveness, and the importance of community involvement in the village financial planning process. The presentation was conducted in stages, within the allotted timeframe, to ensure participants fully grasp each topic.

Following the presentation, the event continued with a discussion and question-and-answer session. This session utilized the available time to provide participants with the opportunity to share their perspectives, experiences, and challenges they have encountered regarding village financial management. The discussion was directed to remain focused on the needs of the Pakning Asal Village community and realistically implementable solutions.

In the next stage, the resource person will present information media to reinforce the material. This activity is conducted within a scheduled timeframe to provide participants with additional understanding through easy-to-understand supporting materials that can be used as references after the event concludes.

As part of the closing ceremony, interactive activities such as games and door prizes were held to maintain participant enthusiasm until the end. The event concluded with a closing session and documentation as a form of accountability for the activities and archives of the Community Service implementation.

With structured time management and implementation of activities adjusted to the schedule, this socialization is expected to run effectively and provide optimal understanding to the people of Pakning Asal Village regarding financial management based on community needs.

3. RESULTS

The implementation of the Community Needs-Based Financial Management outreach program in Pakning Asal Village had a positive impact on increasing public and village officials' understanding of the importance of budget planning and use that aligns with residents' real needs. The community, village officials, and representatives of community leaders participated in the event, demonstrating high enthusiasm throughout the entire series of activities.

Through interactive presentations and open discussions, participants gained a clearer understanding of the basic principles of village financial management, particularly in determining development priorities. The results of the activity indicated that most participants began to understand that village financial management is not merely administrative but must

also be oriented towards community needs, agreed upon through deliberation.

Furthermore, this activity raised participants' awareness of the importance of transparency and accountability in village fund management. Participants noted that transparency in budget information can strengthen public trust in the village government and minimize potential misunderstandings in the implementation of development programs. The interactions established during the activity also generated various constructive input regarding the priority needs of the community in Pakning Asal Village, particularly in the areas of basic services and economic empowerment.

In general, the results of the activity show that this socialization not only provides conceptual knowledge, but also encourages changes in the community's perspective on their role in the village financial management process.

4. DISCUSSION

The results of this community service activity demonstrate that needs-based village financial management is significantly influenced by the level of citizen participation and the capacity of village officials to carry out public administration functions. From a public administration perspective, village financial management is not only concerned with the technical aspects of the budget but also reflects a decision-making process that involves the broader public interest.

Field findings indicate that prior to the outreach activities, some communities still viewed village financial management as an internal matter for the village government. This situation led to low community participation in the budget planning and oversight process. Through the participatory approach implemented in these activities, communities began to understand that their involvement is crucial in ensuring the proper use of village funds.

Discussions during the event demonstrated that village deliberations play a strategic role as a forum for aligning community needs with village financial capabilities. When communities are involved from the planning stage, formulated development programs become more relevant and have the potential to provide long-term benefits. This confirms that the effectiveness of village financial management is largely determined by the quality of communication between the village government and the community.

Furthermore, this activity demonstrates the important role of universities in supporting improved village financial governance. Through community service activities, universities act as strategic partners, helping bridge academic concepts with financial management practices at the village level. This synergy is crucial for promoting participatory, transparent, and

community-focused village financial governance.

5. CONCLUSION

The community service program, which focused on promoting Community Needs-Based Financial Management in Pakning Asal Village, was successfully implemented and achieved its intended objectives. This activity successfully increased public and village officials' understanding of the importance of financial management based on real community needs and implemented in a transparent and accountable manner.

Through a participatory approach, this activity encourages active community involvement in the planning and monitoring of village budget use. Communities are not only beneficiaries but also play a role in determining the direction of village development. This is a crucial foundation for realizing sustainable village financial management that supports the public interest.

Overall, this activity has made a significant contribution to strengthening village financial governance from a public administration perspective. It is hoped that the results of this activity will encourage the village government and the Pakning Asal community to continue building synergy in effective, efficient financial management, and oriented towards improving community welfare.

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