



# Analysis of the Effectiveness of Social Assistance Grants to Improve Community Welfare in West Sulawesi Province

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**Abstract.** This study aims to evaluate the effectiveness of social assistance spending in West Sulawesi Province in 2018, in accordance with the Minister of Home Affairs Regulation Number 39 of 2012. Using a mixed-method approach with qualitative descriptive analysis, the research assesses the efficiency and impact of social assistance distribution in the province. The findings reveal that the distribution of social assistance and grants (Bansos) in the religious sector for individuals and community groups has been conducted in a timely manner, with appointed facilitators assisting throughout the process. However, while the distribution process is efficient, satisfaction regarding the adequacy of funding for religious purposes remains below expectations. Applicants seeking grants, whether in cash or goods, must follow a structured process, including submitting a request to the provincial government and fulfilling administrative requirements. These include a grant disbursement request letter, a clear organizational structure, a Regional Grant Agreement (NPHD), and a Ministry registration certificate (SKT). The study highlights the need for improvements in funding adequacy to better meet the needs of beneficiaries and enhance the overall effectiveness of social assistance programs in West Sulawesi Province.

**Keywords:** Religion, Social Assistance, Welfare

## 1 INTRODUCTION

The provision of national grant assistance aims to support government programs based on principles of fairness, rationality, and benefits for the community. Grants provided to community organizations, as outlined in Minister of Home Affairs Regulation Number 13 of 2018, are directed toward organizations registered with the ministry and having a secretariat in the local area. Since 2009, social assistance funds have been allocated to underdeveloped regions to accelerate development, primarily in productive sectors and public infrastructure, such as healthcare and education facilities [1].

The integrated management of regional finances within the Regional Budget (APBD) prioritizes protecting and enhancing the quality of life for the community. Regional expenditures are allocated for basic services, education, healthcare, and social security. Janna noted the implementation of grants and social assistance in Kubu Raya Regency complies with regulations, yet recommends greater selectivity in

recipient selection, optimization of human resources, computer-based data management, and improved evaluation of assistance distribution [2].

Technical Bulletin Number 19 on Social Assistance Accounting provides guidelines for more effective budgeting, implementation, and accountability of expenditures. With accrual-based accounting standards in line with Government Regulation Number 71 of 2010, social assistance transactions must be recorded at the time of occurrence. This guideline is expected to enhance transparency and financial accountability related to social assistance [3].

This study focuses on the implementation of grant funds in West Sulawesi Province, with key issues related to the mismatch between budget allocations and recipient needs. The research questions encompass reference rules, impacts, effectiveness factors, obstacles, and optimization strategies for social assistance in West Sulawesi. The study's objective is to analyze the effectiveness of social assistance expenditures in accordance with Minister of Home Affairs Regulation Number 39 of 2012.

## **2 LITERATURE REVIEW**

### **2.1 Regional Financial Management.**

The framework of Indonesia's unitary state is derived from the 1945 Constitution, which mandates provincial and district divisions, each governed by local authorities based on distinct powers. Local governments operate under Law No. 32 of 2004, allowing them to manage their own affairs through decentralization policies. Regional financial management emphasizes public accountability and transparency [4]. According to Soepomo, local autonomy respects regional histories and customs within a unified state framework, yet should avoid uniformity across regions. Smith highlights potential risks where local autonomy could lead to power concentration among local actors, possibly limiting civil society's role in decision-making

### **2.2 Public Policy**

Policy selection is essential in both governmental and private organizations to foster social cohesion. Public policy encompasses government actions and inactions in response to public issues, with decisions guided by consistency and stakeholder compliance [5]. In the 1970s, public policy gained prominence in public administration, as political leaders sought to better respond to community needs. Anderson views public policy as complex activities that involve collaboration among actors aiming for societal welfare, where steps include agenda setting, policy formulation, adoption, implementation, and evaluation [6].

### **2.3 Effectiveness Concept**

Effectiveness refers to achieving desired results, focusing on outcomes rather than processes. Operational activities are considered effective if they meet policy goals and align with legislative standards. Effectiveness signifies the extent of goal attainment

in terms of quality, quantity, and timeliness, where greater achievement indicates higher effectiveness. In evaluating social assistance distribution, effectiveness indicators include timely disbursement, adequate support, recipient satisfaction, and perceived funding sufficiency [7].

## **2.4 Social Assistance Concept**

Social assistance aims to support vulnerable communities by promoting economic stability and improving welfare, aligning with regional financial management frameworks. These programs are designed to provide targeted financial support that addresses the immediate needs of disadvantaged groups while contributing to long-term community resilience. Minister of Home Affairs Regulation No. 39 of 2012 outlines that the effectiveness of social assistance programs relies on precise targeting, ensuring that funds reach those who need them most, and emphasizes the importance of clear, consistent guidelines to facilitate proper fund allocation [8].

Effective social assistance programs require not only accurate targeting but also strong administrative capabilities, sufficient infrastructure, and continuous, rigorous monitoring. The success of these programs largely depends on the capability of government officials to manage and distribute funds efficiently and on the organizational structures in place to support these efforts. Robust monitoring systems are essential to ensure transparency and accountability, enabling timely adjustments that enhance the impact of social assistance and prevent misuse of resources.

## **2.5 Community Welfare**

Welfare encompasses the fulfillment of physical, mental, and spiritual needs, which together contribute to a comprehensive quality of life. Meeting these needs supports individuals' overall well-being, enabling them to live in a stable and fulfilling environment. According to Todaro and Smith, social welfare is measured by the extent to which basic needs—such as food, shelter, and health—are met, alongside improvements in quality of life and access to greater economic opportunities [9]. This perspective emphasizes that welfare goes beyond mere survival, aiming to provide individuals with the resources and conditions needed for growth and resilience in various aspects of life [10].

Indicators of welfare, such as security, prosperity, freedom, and identity, provide a balanced view of material and non-material needs. Security relates to physical safety and financial stability, while prosperity covers economic well-being and access to resources. Freedom reflects the ability to make personal and social choices without undue restrictions, and identity encompasses a sense of belonging and self-worth within society. These indicators highlight a holistic approach, acknowledging that both tangible assets (such as income and resources) and intangible elements (like personal freedom and social identity) are essential to achieving true welfare. This multidimensional perspective ensures that welfare policies address the broad spectrum of human needs, promoting an environment where individuals can thrive in all facets of life.

### **3 RESEARCH METHODOLOGY**

The research method is a scientific approach for obtaining data with specific objectives and applications. The data collected aids in understanding, solving, and preventing issues: understanding clarifies unknown information, solving minimizes or eliminates issues, and prevention seeks to avoid potential problems [11]. This study adopts a mixed-method approach, combining qualitative descriptive analysis to evaluate the effectiveness of social assistance grants aimed at improving community welfare in West Sulawesi Province under the framework of Minister of Home Affairs Regulation No. 39 of 2012. The study also incorporates quantitative methods through questionnaires distributed to recipients of these grants to gain insights into the program's impact.

### **4 RESULTS AND DISCUSSION**

West Sulawesi Province was established by Law No. 26 of 2004 and officially inaugurated on October 16, 2004, as a division from South Sulawesi Province. Strategically positioned in the "Golden Triangle" connecting South Sulawesi, East Kalimantan, and Central Sulawesi, the province is a crucial corridor for national and international maritime routes. The province's terrain includes coastal regions and mountainous areas, with eight major rivers offering potential for hydroelectric projects. The highest point is the Ganda Dewata mountain, at 3,037 meters above sea level.

The Social Security Assistance Program in West Sulawesi, particularly in 2020, aims to support the basic needs of underprivileged communities. However, challenges in application and fund disbursement have surfaced, reflecting inefficiencies and delays that impact the program's responsiveness to recipients. Regulations such as the Ministry of Home Affairs Regulation No. 39 of 2012 and Governor Regulation No. 4 of 2017 outline structured procedures for budgeting, reporting, and evaluating grants, though these guidelines are inconsistently applied in practice.

Social assistance funds are allocated to individuals, community groups, and social organizations based on quotas, selection, and distribution processes. Grants support welfare-focused projects, including religious and social initiatives, yet require strict oversight to ensure effectiveness and prevent misuse. Oversight includes organizing resources, interpreting regulations, and implementing routine procedures, with the government striving to align the grant distribution with public welfare objectives.

Community organizations seeking grants submit proposals that local government departments evaluate. The regional budgeting team (TPAD) reviews these recommendations, aligning decisions with financial priorities and social needs. Despite allocations, substantial portions of funds remain unused annually due to procedural and political factors, such as in 2016. By 2018, utilization reached 94.53%, reflecting improvements yet still indicating inefficiencies.

The success of social assistance programs in West Sulawesi heavily relies on skilled human resources. Most staff involved in the grant distribution process hold university degrees, yet gaps in experience impact overall efficiency. Ensuring

effective human resource management and building capacity is essential to improve program efficiency and meet community welfare objectives fully.

The management of social assistance grants involves a stringent selection process overseen by the Commitment-Making Officer (PPK) following guidelines set by the Authorized Budget User (KPA). Disbursement of funds is executed via direct transfer from the state treasury to recipients' accounts or to vendors for goods and services provision. The KPA is responsible for achieving the performance targets in grant distribution, while the PPK ensures funds are allocated as per the set guidelines and are used effectively (Sitanggang et al., 2014).

The KPA's accountability includes detailed reporting on allocated, utilized, and remaining funds. Requirements for grant eligibility include a clear administrative structure and operational location within the specified regional jurisdiction. The selective distribution of social assistance targets individuals or groups facing social risks, although it often misses its mark due to distribution through intermediaries. This can lead to discrepancies, as aid is sometimes allocated to organizations that do not meet social risk criteria (Dharmakarja, 2017).

Survey findings revealed that grant recipients generally understand the application process, which primarily requires proposal submission. Feedback from community leaders, such as mosque and community center representatives, reflects a recognition of procedural requirements and the importance of proposal-based applications. While community members appreciate the procedural clarity, some find the criteria challenging to meet due to the extensive paperwork involved.

Social assistance grants aim to alleviate poverty by providing financial resources that protect individuals and communities from social risks and enhance economic stability. Measured success factors include timely disbursement, presence of support during distribution, recipient satisfaction, and perceived adequacy of funds. The grants are allocated based on performance-driven budgeting principles, which align with the public administration's New Public Management approach (Latif et al., 2014).

Challenges in the grant distribution process include delays in disbursement and inadequate monitoring by local authorities. Survey responses indicated that most recipients found the timing satisfactory, yet delays still occurred due to bureaucratic obstacles. Statements from local religious and community leaders highlighted the need for streamlined processes, particularly in ensuring complete documentation for prompt disbursement.

Although support personnel are assigned to oversee the grant application and distribution process, there are gaps in the guidance provided. Some recipients reported a lack of sufficient assistance, while others felt adequately supported throughout the procedure. The degree of assistance often depends on the assigned personnel's efficiency, suggesting that better training could improve the consistency of support services provided.

To optimize the effectiveness of social assistance grants, the government emphasizes transparent allocation, requiring thorough proposal evaluation and accountable reporting. Transfer-based disbursement minimizes direct contact between staff and recipients, reducing potential conflicts. Adhering to transparency mandates, public access to information on grant procedures and distribution outcomes is made available, further strengthening accountability in grant management.

## 5 CONCLUSION

This study concludes that the distribution of social assistance grants (Bansos) in the religious sector for communities and groups in West Sulawesi has been timely, although some recipients express dissatisfaction with the support provided during the disbursement process. Satisfaction with the grants remains suboptimal, particularly regarding the perceived adequacy of funds, which is often considered insufficient by applicants, especially in religious sectors. Grant disbursement applications are required to meet administrative conditions, including a formal application letter, clear governance structure, Regional Grant Agreement (NPHD), and a certificate of registration from the relevant ministry. Grants for community organizations are provided to legally recognized organizations in accordance with regulations. The success of this program heavily depends on the quality of available human resources; professional and skilled personnel are essential for effective policy implementation, with sufficient staffing from relevant regional departments, social welfare sections, and the Regional Revenue and Expenditure Agency (DPPKAD).

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