
The Effect Of Program Keluarga Harapan (PKH) Effectiveness On Welfare With Productivity As A Mediation And Government Policy As A Moderation

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Abstract

Program Keluarga Harapan (PKH) is a program of assistance for poor families in the district of Pidie, Indonesia, by providing assistance based on established criteria, to continue and develop their economic activities to make them more prosperous. The purpose of this study was to examine the effect of PKH effectiveness on community welfare with productivity as a mediation variable, and government policy as a moderation variable. The research object was the recipients of the PKH assistance program in the year 2019. The research sample was taken as much as 320 people from the number of the population of 36.230 people, based on krejcie table at a significance level of 0,05, and the confidence level of 95% to the population, by using the proportionate stratified random sampling technique as one of the probability sampling techniques. Data is collected through questionnaires, interviews, and observation. The data was analyzed using Structural Equation Modeling (SEM) techniques processed by the AMOS software. The result showed that the effectiveness of the PKH had a significant direct effect on community welfare of PKH recipients in Pidie district, the government policy moderated the effect of PKH Effectiveness on Productivity of PKH recipients in Pidie district, and productivity mediated the PKH effectiveness on the welfare of PKH recipients in Pidie district. These findings prove the causality model that involves effectiveness, productivity, policy, and welfare. The interesting issue that government policy is significantly needed to stimulate the effectiveness to improve productivity. Further researchers need to develop the model by elaborating concepts and variables like the factors that can stimulate the productivity to sustain the welfare, or what policy sector needed to sustain the welfare.

KeyWords: Effectiveness of Program Keluarga Harapan (PKH), Productivity, Policy, and Welfare.

1. Introduction

In various countries in the world community welfare is the most important factor that must be fulfilled in a country, welfare becomes the most important foundation for the people in the State both physical, mental, and spiritual welfare. In the Indonesian state which has been independent for more than seventy years, this welfare problem seems to be far from being burned.

The success of a government, both central and regional in the economic field, is largely determined by its ability to improve the welfare of its people. The indicator to build a

community's economy is by increasing the community revenue. Community independence is closely related to the ability of the community to fund their needs (Nurhayati, 2018)

One of the government's efforts in responding to the welfare problem is by triggering Program Keluarga Harapan (PKH) as assistance which is to accelerate economic growth in terms of *income* and consumption so that the community can prosper. Program Keluarga Harapan (PKH) is a program of assistance for poor families in the district of Pidie, Indonesia, by providing assistance based on established criteria, to continue and develop their economic activities to make them more prosperous. The program has been running since 2008, but it seems until now has not been able to increase community productivity to become prosperous. The people who received this assistance did not have an independent productive effort that could create added value and economic activities with the assistance the government has provided, they only received assistance for consumptive purposes, and this was contrary to the government's goal in providing such assistance. The purpose of the government to assist is so that productive people can increase added value and the existence of economic activities so that the community can be independent and prosperous. This problem is known to this day is still a problem in the process of implementing PKH in the District of Pidie. The problem that occurs is the purpose of the PKH is not well realized. The issue of socialization of the government's objectives in providing PKH has not yet been fully understood by PKH recipient communities in the District of Pidie.

2. Literature Review

Welfare

According to (Nurhayati, 2018) public welfare is an economic activity that takes place in that community. Economic activities will produce goods and services as well as economic added value and social added value of the community. Thus, the higher the economic activity in an area, the higher the welfare of the community in the area, and vice versa.

According to (A Friedlander, 1961) in (Salamah, 2011) the social welfare system is organized on social enterprises and institutions aiming to help individuals and groups to achieve a satisfying standard of living and health, as well as to achieve the relation of individuals and society that can enable them to develop their abilities fully and to enhance their welfare in harmony with the needs of family and society.

According to (Goldsmith, 2015), social welfare can be achieved through the creation of laws, programs, benefits, and services that guarantee or strengthen services to meet the basic social needs of the people and maintain order in society.

Community welfare can be measured by the achievement of basic needs, a healthy place to live is one of the basic needs that must be met. (Said et al., 2016).

Productivity

(Soetrisno, 2016) argued that work productivity is a ratio that compares the work result and the time needed to produce a product by labor. (Gaol, 2014) stated productivity is the ratio between output or production and input. Input productivity can reflect types such as labor productivity, capital productivity, and machine productivity.

According to (Nurhayati, 2018) productivity is a term used to measure the production capability of a business or a factor of production. Productivity is measured by the ratio between input and output, so that the higher the ratio, the higher the productivity, and vice versa.

Government policy

According to (Kresna, Sholahuddin, & Shadana, 2015) government policy is the action taken by the government that affects large numbers of people. She further explained that government policy means the government's skills to carry out their duties and responsibilities.

According to (Hasbullah, 2016) the word "policy" means taking care of a problem or public interest, or also means government administration. Policies place more emphasis on actions (products). Policies can be subjectively determined.

HRM policies and practices are generally said to be effective if the policies and practices that take place can specifically support organizational success (Sopiah & Sangadji, 2018).

Effectiveness

Three approaches to understanding effectiveness according to (Sopiah & Sangadji, 2018) are the goal optimization approach, the system theory approach, and the participant satisfaction model.

According to (Sopiah & Sangadji, 2018) effectiveness is the ability to determine an appropriate goal: "do the right job".

(Kresna et al., 2015) the effectiveness that is concerned with whether an alternative achieved the expected results or achieved the objectives of the action. Effectiveness is always measured by the quality of the policy produced.

Program Keluarga Harapan (PKH)

Program Keluarga Harapan, which later came to be called PKH, is conditional social assistance provided to the poor family that has been designated as a PKH beneficiary family. PKH social assistance is divided into two types namely Permanent Assistance and Component Assistance, provided with the following conditions:

1. Permanent Assistance for each family
 - 1) Regular : Rp. 550,000 / family / year
 - 2) PKH ACCESS : Rp. 1,000,000 / family / year
2. Component Assistance for each person in PKH Family (Component assistance is given for a maximum of 4 souls in one family)
 - 1) Pregnant women : Rp. 2,400,000
 - 2) Early childhood : Rp. 2,400,000
 - 3) Elementary School : Rp. 900,000
 - 4) Middle School : Rp. 1,500,000
 - 5) High School : Rp. 2,000,000
 - 6) Severe disability : Rp. 2,400,000
 - 7) Elderly people : Rp. 2,400,000

The number of recipients of PKH in 2018 was 37.398 families, in 2019 were 36.230 families, and in 2020 were still 35.115 families. <https://www.kemsos.go.id/program-keluarga-harapan/> / accessed on 10 June 2019.

Previous Research

The previous researches have been conducted are by several researchers such as (Purwanto, Sumartono, & Makmur, 2013) titled Implementation of Program Keluarga Harapan (PKH)

Policy in breaking the chain of poverty (Study in Mojosari District, Mojokerto Regency). Its research method used was the quantitative descriptive method, and the data collection technique was to interview the informants. The results showed that in general, the implementation of PKH in Mojosari was running quite well, with several categories of assistance such as assistance related to the social conditions and education of Very Poor Households, assistance with health & nutrition costs for pregnant women, post-partum mothers, and children under 6 years of age from Very Poor Households, and socialization to PKH recipients about the importance of education and health services.

(Usman, 2014) also had research titled the Effectiveness of the Program Keluarga Harapan (PKH) in the Context of Poverty Alleviation (A Study in Kecamatan Kota Utara Kota Gorontalo). The method used was the qualitative descriptive method, which interpreted how the PKH affected Poverty Alleviation.

(Idris, Putra, Djalil, & Chandra, 2017) had research titled The Analysis of Effectiveness of Education, Training & Motivation on Work Productivity and Its Impact on The Performance of Civil Service Of Personel, Education and Training Agency (BKPP), The Province of Aceh, Indonesia. Their research method used was the Structural Equation Method (SEM). The results showed that education, training, and motivation had a significant influence on the performance, either directly or through the work productivity variable.

Research and Hypothesis

The research framework and the hypothesis can be formulated as follows.

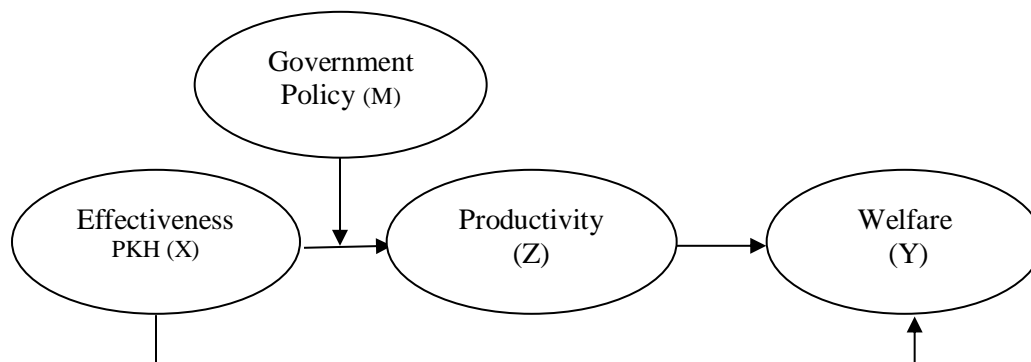


Figure 1. Research Framework

- Ha1: Effectiveness of the Program Keluarga Harapan (PKH) directly affects Welfare
- H01: Effectiveness of the Program Keluarga Harapan (PKH) directly does not affect Welfare
- Ha2: Government policy moderates the effect of the Program Keluarga Harapan (PKH) effectiveness on Productivity
- H02: Government policy does not moderate the effect of the Program Keluarga Harapan (PKH) effectiveness on Productivity.
- Ha3: Productivity mediates the effect of the Program Keluarga Harapan (PKH) effectiveness on Welfare
- H03: Productivity does not mediate the effect of the Program Keluarga Harapan (PKH) effectiveness on Welfare

3. Research Method

The variables of this research are the Effectiveness of PKH (X), Productivity (Z), Welfare (Y), and Government Policy (M). The study was conducted in Pidie district, Indonesia, with the research object was the recipients of the PKH assistance program in the year 2019. The research sample was taken as much as 320 people from the number of the population of 36.230 people, based on krejcie table at a significance level of 0.05, and the confidence level of 95% to the population, by using the proportionate stratified random sampling technique as one of the probability sampling techniques. According to (Sugiyono, 2013) probability sampling is a sampling technique that provides equal opportunities for each element (member) of the population to be selected as a sample.

Data is collected through questionnaires, interviews, and observation. The data was analyzed using Structural Equation Modeling (SEM) techniques processed by the AMOS software, which is a statistical tool used for hypothesis testing.

Result

Confirmatory Factor Analysis (CFA)

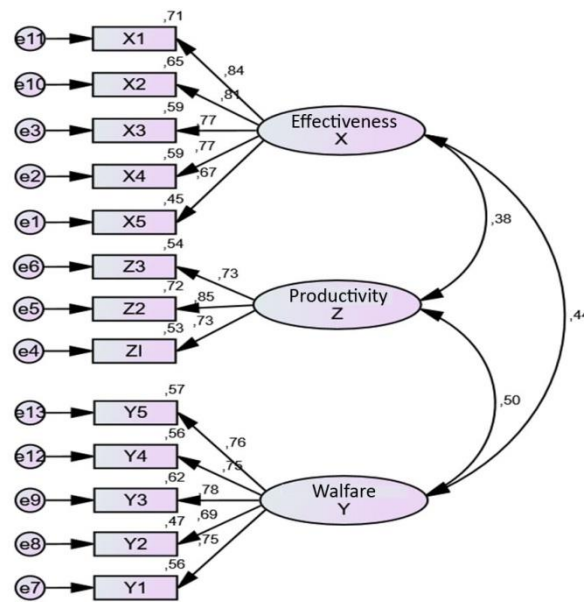


Figure 2. Model Suitability Test Result

Figure 2 above shows the suitability of the model resulting from the *Confirmatory Factor Analysis* (CFA). CFA indices generated are shown in the following table.

Table 1. Regression Weights: (Group number 1- default model)

			Estimate	S.E.	Standardized Estimate	C.R.	P
X5	<---	Effectiveness_X	1.000		.672		
X4	<---	Effectiveness_X	1.270	.106	.771	12.019	***
X3	<---	Effectiveness_X	1.251	.104	.771	12.017	***
Z1	<---	Productivity_Z	1.000		.730		
Z2	<---	Productivity_Z	1.101	.089	.849	12.388	***
Z3	<---	Productivity_Z	.900	.077	.733	11.698	***
Y1	<---	Walfare_Y	1.000		.745		
Y2	<---	Walfare_Y	.878	.075	.688	11.710	***
Y3	<---	Walfare_Y	.950	.071	.785	13.359	***
X2	<---	Effectiveness_X	1.204	.096	.808	12.488	***
X1	<---	Effectiveness_X	1.374	.107	.840	12.861	***
Y4	<---	Walfare_Y	.873	.068	.748	12.760	***
Y5	<---	Walfare_Y	.854	.066	.757	12.912	***

Source: Primary Data, 2020 (processed)

Based on the results in table 1 it is known that the overall CFA values are following the required conditions. It concludes that the overall indicators are acceptable then it is suitable to be used for the next analysis.

Direct Hypothesis

The proof of the direct hypothesis is shown from the *Critical Ratio* (CR) value at a significant level of 0.05. If the value of the *Critical Ratio* (CR) > ± 1.96 and the probability value (p) < 0.05, then H0 is rejected and Ha is accepted, meaning that the Hypothesis is acceptable. SEM is performed as shown in Figure 3 below.

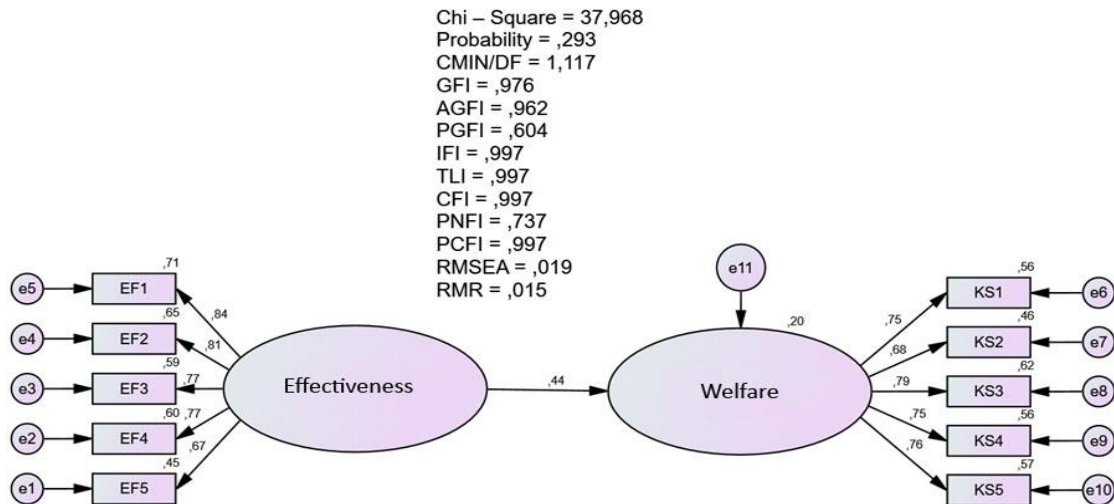


Figure 3. Direct Hypothesis Test Result

After passing through SEM assumptions, the first hypothesis test result clearly can be

seen in Table 2 below.

Table 2. Direct Effect

			Estimate	S.E.	C.R.	P
Welfare	<---	Effectiveness	.571	.089	6.404	***

Source: Primary Data, 2020 (processed)

The result of hypothesis testing shows that the effect of PKH effectiveness on Welfare has a *Critical Ratio* (CR) value of 6.404 at a significant level of $0.00 < 0.05$, thus it can be stated that the H_a hypothesis is accepted and H_o is rejected. In other words, effectiveness has a significant effect on the welfare of PKH recipient communities in the District of Pidie.

Moderation Hypothesis

The moderation test is carried out aiming to find whether a variable (in this research is a policy variable) can strengthen or even weaken the relationship between the independent variable on the dependent variable (Ferdinand, 2014). The hypothesis model in this research that involves the moderation variable is the third hypothesis, which is the role of the government policy in moderating the effect of the PKH effectiveness variable on the welfare variable of PKH recipients in the Pidie district. The effect of testing can be seen in Figure 4 below.

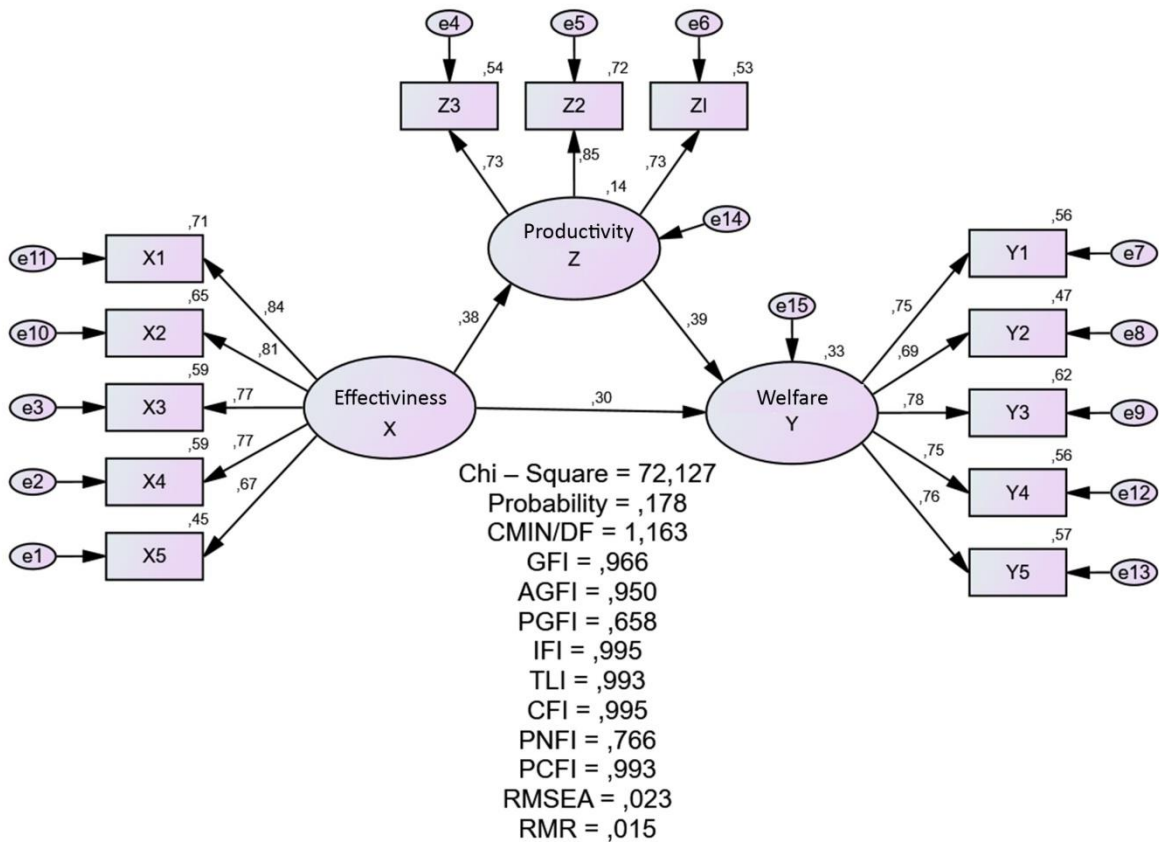


Figure 4. Moderation Hypothesis Test Result

The result of the moderation test statistically can be seen in Table 3 below.

Table 3. Moderation Effect

			Estimate	S.E.	C.R.	P
Productivity_Z	<---	Effectiveness_X	.212	.077	2.758	.006
Productivity_Z	<---	Policy_M	.322	.077	4.173	***
Productivity_Z	<---	Interaction	.002	.001	2.814	.005

Source: Primary Data, 2020 (processed)

Based on the results in table 3, it can be explained that the effectiveness variable significantly influences the productivity of PKH recipients in the Pidie district. This result can be seen from the CR value of 2.758 > 1.96 and the significance of 0.003 < 0.05. Then, the moderating variable (policy) also has a significant effect on productivity, which can be seen from the CR value of 4.173 > 1.96 and significance of 0.000 < 0.05. Thus the hypothesis is accepted that the policy variable can strengthen the effect of effectiveness on the productivity of PKH recipient communities in the District of Pidie.

Mediation Hypothesis

The mediation testing was carried out to find how much the role of mediation was played by the productivity of PKH recipient communities in the Pidie district. The model of mediation in this research can be looked at in Figure 5 below.

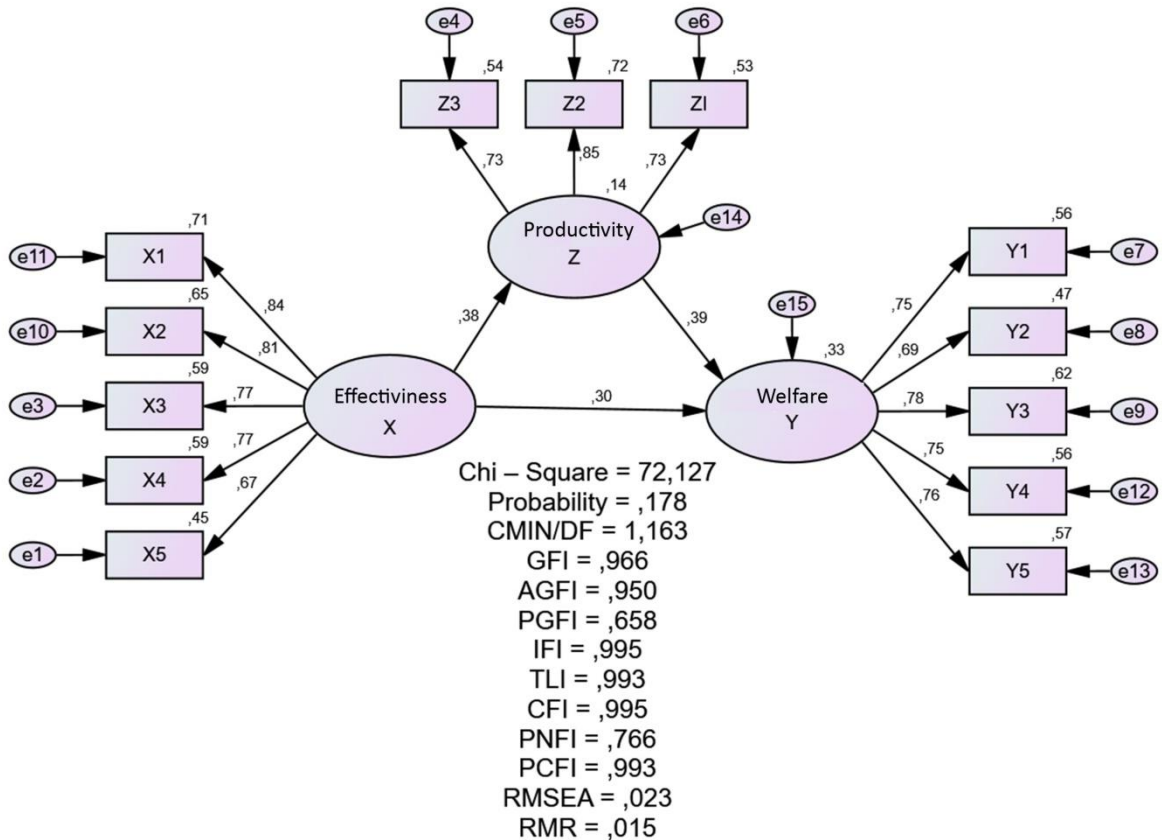


Figure 5. Mediation Model

The mediation test result statistically can be seen in figure 6, table 4, and table 5 below.

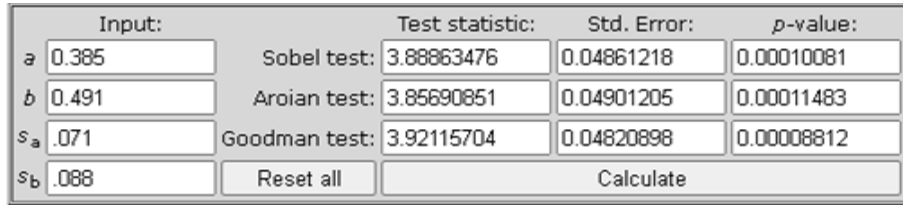


Figure 6. Mediation Test by Sobel-Test

Table 4. Mediation Effect

			Estimate	S.E.	C.R.	P
Productivity_Z	<---	Effectivenesss_PKH_X	.385	.071	5.405	***
Walfare_Y	<---	Productivity_Z	.491	.088	5.591	***
Walfare_Y	<---	Effectivenesss_PKH_X	.382	.085	4.492	***

Source: Primary Data, 2020 (processed)

Table 5. Indirect Effect (Group number 1 - Default model)

	Effectiveness_X	Prodcutivity_Z	Welfare_Y
Walfare_Y	.189	.000	.000

Source: Primary Data, 2020 (processed)

The Sobel test is shown the p-value of indirect effect, which states the $0.00010081 < 0.05$ means the mediation role is significant. And, table 4 and 5 figure the effectiveness of PKH and affects welfare significantly both direct or indirect (thru productivity), so the mediation role of the productivity variable in the research model is as a partial mediation.

4. Conclusion

The result showed that the effectiveness of the PKH had a significant direct effect on community welfare of PKH recipients in Pidie district, the government policy moderated the effect of PKH Effectiveness on Productivity of PKH recipients in Pidie district, and productivity mediated the PKH effectiveness on the welfare of PKH recipients in Pidie district. These findings prove the causality model that involves effectiveness, productivity, policy, and welfare. The model contributes to the realm of science that can map answer how the effectiveness needs so it can increase productivity and welfare. The interesting issue that government policy is significantly needed to stimulate the effectiveness to improve productivity. Further researchers need to develop the model by elaborating concepts and variables like the kind of effectiveness and productivity that can sustain the welfare, or how the policy development can increase productivity.

For the practitioners especially for the research object, some recommendations can be advised based on the test result. It is necessary to maintain and strive to encourage the community to be more productive following their abilities so that the recipients of PKH assistance can prosper. Special attention is needed to see the future. So the policies can be re-evaluated and reset by the government of Pidie district. Then the Government of the Pidie district also needs to socialize innovative ideas to the community to be more productive and enthusiastic.

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