



Research Article

Financial Ratio Analysis to Improve Village Government Financial Performance (Case Study on the Sarang Burung Village Government, Jambi Luar Kota District, Muaro Jambi Regency)

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Abstract: The purpose of this study is to evaluate the Sarang Burung Village Government's financial performance for the fiscal year 2020–2023 in the Jambi Luar Kota District of the Muaro Jambi Regency. Six financial ratios—the Degree of Decentralization Ratio, Village Financial Independence Ratio, Village Financial Dependency Ratio, PADes Effectiveness Ratio, Expenditure Efficiency Ratio, and Revenue Growth Ratio—will be used in this study to examine Sarang Burung Village's financial performance. The Realization Report of the Village Revenue and Expenditure Budget (APBDes) of Sarang Burung Village, Jambi Luar Kota District, Muaro Jambi Regency, for the fiscal years 2020–2023 is the source of secondary data used in this quantitative descriptive study. The study's findings indicate that the Sarang Burung Village Government's financial performance is classified as extremely poor based on the Degree of Decentralization Ratio, very low for the Village Financial Independence Ratio, very high for the Village Financial Dependency Ratio, ineffective for the PADes Effectiveness Ratio, less efficient for the Spending Efficiency Ratio, and not good for the PADes Growth Ratio. The SWOT Analysis employs the S-T strategy, which leverages internal strengths to counter external threats.

Keywords: Finance, Financial Performance; Financial Ratios SWOT

1. Introduction

The government is urged to function more effectively and efficiently than in the past because of the current era of reform in all areas, including governance. To increase the efficacy and efficiency of government operations, the government must focus on financial performance. According to Law Number 3 of 2024 on the Second Amendment Law Number 6 of 2014 on Villages, village governments are responsible for managing governance, development, community coaching, and community empowerment. These responsibilities must be fulfilled in compliance with relevant laws and regulations.

In the current reform era, which encompasses various aspects, including the government sector, the government is urged to function better and more efficiently compared to previous years. The government must also pay attention to its financial performance to improve efficiency and effectiveness in managing government affairs. Law Number 3 of 2024 concerning the Second Amendment to Law Number 6 of 2014 on Villages emphasizes that village governments have duties that include governance, development, community coaching,

Received: 12 April, 2025

Revised: 18 May, 2025

Accepted: 06 June, 2025

Published: 09 June, 2025

Curr. Ver.: 09 June, 2025



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and the empowerment of village communities, all of which must be carried out in accordance with applicable legal provisions.

This research aims to evaluate the financial performance of the Sarang Burung Village Government located in the Jambi Luar Kota District, Muaro Jambi Regency during the 2020–2023 Fiscal Year. The main focus of this research is the realization report of the Village Revenue and Expenditure Budget (APBDes), which illustrates the financial condition and effectiveness in managing public resources at the village level. The method used in this research is financial ratio analysis adapted from Mahmudi's (2019) approach and includes: decentralization level ratio, village financial independence, degree of dependence, effectiveness, efficiency, and village revenue enhancement. Additionally, a SWOT analysis is also applied to assess internal and external conditions and to formulate strategies for improving performance.

The issue raised in this research is the fluctuation of income and expenditure in the village, which results in a sustainable APBDes deficit, as well as the suboptimal implementation of village spending and income. This situation triggers the need to evaluate village financial management and formulate strategies to enhance accountability. As a solution, this research suggests an evaluative approach using financial ratio indicators and SWOT analysis to help the village government understand the actual financial condition and design effective and efficient improvement strategies. The main contribution of this research is to provide data and analysis that can be used as internal evaluation materials for the village, as well as policy recommendations for stakeholders in an effort to improve transparency and accountability in village fund management.

The performance of the government plays an important role because it is directly related to responsibility, transparency, and efficiency in public services. This performance becomes the main benchmark for how successful a government is in carrying out its functions. By improving responsibility, transparency, and efficiency in public services, and building public trust, government performance not only affects the portrayal of the institution but also has a significant impact on the overall welfare of society. Ratio analysis allows for a focus on the regional revenue and expenditure budget (APBD) by comparing results between one period and the previous period to identify possible changes that have occurred.

2. Literature Review

Stewardship theory

According to the stewardship idea, contentment and organizational success are closely related. By reintegrating work management, empowerment, partnership, and the appropriate use of authority, this stewardship philosophy will enable people to achieve their goals on their own. The steward (manager) thinks that their interests will coincide with those of the principle (owner) and the organization [1]. In pursuit of objectives that respect individual privacy rights, stewardship is characterized by an attitude and behavior that show a dedication to privacy Hernandez, 2008 in [2]. According to Donaldson & Davis (1991), stewardship theory is characterized by a situation in which managers (stewards) put the interests of the principle (owner) ahead of their own.

Financial Performance

In essence, the performance budgeting system includes performance benchmarks and program preparation activities as instruments to accomplish program goals and objectives. The ability of the central government to develop and manage the village's financial resources independently to meet its needs in order to support the development of the village, services to the local community, and the operation of the governance system is not the only factor that affects the village's financial performance. In compliance with relevant rules and regulations, financial resources are managed for the community's benefit [3].

Measurement of Financial Performance

A financial or non-financial structure that gauges the effort or outcomes of a process, activity, or organizational unit is called performance measurement. The degree to which operational outcomes in the area of village finance, such as village income and expenditure, are attained by policies and regulations put in place during the budgetary year determines the financial performance of the village administration. The purpose of measuring village financial performance is to evaluate the efficacy and accountability of budget management in relation to public service initiatives.

Village Government Financial Report

Village financial reports serve as an accountability tool for the village government to stakeholders and are documents that show how well the village government is performing [4]. If government financial statements satisfy the standards, they must comply with quality requirements, according to the Public Sector Accounting Board [5].

Analysis of Village Financial Report Ratios

It is possible to ascertain whether a village's financial performance is getting better or worse every year by looking at its financial reports. Analyzing financial ratios entails contrasting two or more numbers whose information comes from financial statement items. The performance development from year to year can be explained with the use of financial ratio analysis [6].

1. Decentralization Degree Ratio

One of the financial measures that may be used to show how much power and responsibility the central government has given village governments to carry out development is the degree of decentralization [6].

2. Village Financial Independence Ratio

This ratio indicates the village's ability to self-finance development, village government operations, and services to the community that has paid taxes and levies, which are essential revenue streams for the village [6].

3. Village Financial Dependency Ratio

Dependency is the condition in which an organization is unable to fulfill its own obligations because it depends on another entity. Village governments rely on funding from the federal or provincial governments to operate as government institutions.

4. Effectiveness Ratio of PADes

The Effectiveness Ratio of Village Original Revenue (PADes), which is determined by comparing the actual and target PADes revenue, indicates how successfully a village can manage the collection of its original revenue [6].

5. Spending Efficiency Ratio

Efficiency ratio, which compares the amount of money spent to generate revenue with the actual amount of money made. The degree of budget savings obtained by the government is gauged by this expenditure efficiency ratio. The implementation cost and the budgeted cost are compared [6].

6. Revenue Growth Ratio

The Village Government's capacity to sustain and build upon its accomplishments over time is gauged by the growth ratio. This ratio is used to assess whether revenue growth over a number of fiscal years has increased or decreased in the government's budget performance [6].

SWOT Analysis

The methodical identification of numerous elements to create organizational strategies is known as SWOT analysis. The reasoning behind this analysis is able to minimize dangers and vulnerabilities while simultaneously maximizing opportunities and strengths Rangkuti, 2006 in [7]. SWOT analysis concentrates on two primary factors—internal and external factors—that require investigation and resolution. According to [8], these two components are derived from the needs, conditions, and situations that the organization or human resources as the object of analysis encounter.

A SWOT analysis management approach necessitates both an external assessment of opportunities and threats and an internal assessment of the program's strengths and weaknesses. In the field of planning and development, structured external and internal testing is unique; SWOT analysis will assist in identifying the overlooked or hidden elements. Because the analysis and insights offered act as standards for continued development of the institution, SWOT analysis is essential for enhancing the management quality of a business or other institutions [7].

3. Methods

This study employs the quantitative descriptive research approach, which entails making calculations utilizing the financial data gathered in order to address current issues in line with the study's goals. Financial ratios were calculated for this study, and the findings of these calculations will be examined to ascertain financial performance. The financial performance of the Sarang Burung Village Government in the Jambi Luar Kota District, Muaro Jambi Regency, during the 2020–2023 budget years is also assessed in this study using SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats).

Data Analysis Method

This study employs a quantitative analysis approach, which allows for the analysis of the data gathered in the form of numerical values via computations or measurements. The following data analysis methods were employed in this study:

1. Degree Ratio Decentralization

This ratio is calculated using the following formula:

$$\text{Decentralization Ratio} = \frac{\text{Original Opinion of the Region (Village)}}{\text{Total Regional Income (Village)}} \times 100 \%$$

Source : [6]

The assessment criteria for calculating the degree of decentralization ratio can be shown in Table 1.

Table 1
Criteria for Evaluating Degree of Decentralization Ratio Decentralization

Percentage (%)	Criteria
0,00 – 10,00	Very Poor
10,01 -20,00	Poor
20,01 – 30,00	Fair
30,01- 40,00	Curently
40,01 – 50.00	Good
>50,01	Very Good

Source : *Keppmendagri No.690.900.327/1996* in [9]

2. Rasio Kemandirian Keuangan Desa

This ratio is calculated using the following formula:

$$\text{Village Financial Independence Ratio} = \frac{\text{Original Local Revenue (Village)}}{\text{Central + Provincial + Loan Transfer}} \times$$

Source : [6]

The assessment criteria for calculating the regional financial independence ratio can be shown in Table 2.

Table 2
Criteria for the calculation assessment Village Financial Independence Ratio

Percentage (%)	Criteria	Relationship Pattern
0% - 25%	Very Low	Instructive
> 25% – 50%	Low	Consultative
> 50% – 75%	Curently	Participatory
> 75% – 100%	Height	Delegative

Source : *Keppmendagri No.690.900.327/1996* in [10]

3. Village Financial Dependency Ratio

This ratio is calculated using the following formula:

$$\text{Village Financial Dependency Ratio} = \frac{\text{Transfer income}}{\text{Total Regional Revenue (Village)}} \times 100 \%$$

Source : [6]

The assessment criteria for the dependency ratio calculation can be shown in Table 3.

Tabel 3
Criteria for Assessment Calculation Village Financial Dependency Ratio

Percentage %	Criteria
0,00 – 10,00	Very Poor
10,01 – 20,00	Poor
20,01- 30,00	Enough
30,01 – 40,00	Currently
40,01 – 50,00	Height
> 50,01	Very Height

Source : Tim Litbang Depdegri RI dan Fisipol-YGM, 1991 in [11]

4. Ratio of PADes Effectiveness

This ratio is calculated using the following formula:

$$\text{Ratio of PADes Effectiveness} = \frac{\text{Realization of PADes Revenue}}{\text{Total PADes Revenue}} \times 100 \%$$

Source : [6]

The assessment criteria for calculating the PADes Effectiveness Ratio can be shown in Table 4

Tabel 4
Criteria for Assessing the Calculation of PADes Effectiveness Ratio

Percentage %	Criteria
>100	Very Effective
100	Effective
90 – 99	Quite Effective
75 – 89	Less Effective
<75	Not Effective

Source : [6]

5. Spending Efficiency Ratio

This ratio is calculated using the following formula:

$$Spending\ Efficiency\ Ratio = \frac{Expenditure\ Realization}{Budget} \times 100\ %$$

Source : [6]

The assessment criteria for calculating the PADes Effectiveness Ratio can be shown in Table 5

Tabel 5

Criteria for Evaluating the Calculation of the Spending Efficiency Ratio

Percentage %	Criteria
> 100	Inefficient
90 – 100	Less Efficient
80 – 90	Quite Efficient
60 – 80	Efficiency
< 60	Very Efficient

Source : *Kepmendagri No.690.900.327 of 1996 in [11]*

6. Village Revenue Growth Ratio

This ratio is calculated using the following formula:

$$Village\ Revenue\ Growth\ Ratio = \frac{PADes\ Pn - PADes\ Po}{PADes\ Po} \times 100\ %$$

The assessment criteria for calculating the PADes Effectiveness Ratio can be shown in Table 6

Tabel 6

Criteria for Assessing the Calculation of PADes Growth Ratio

Percentage %	Criteria
76 - 100	Good
51 - 75	Quite Good
26 - 50	Not Good Enough
0 - 25	Not Good

Source : *Tim Litbang Depdagri Fisipol UGM*

7. SWOT Analysis

By performing a SWOT analysis, the scholars will also continue their discussion. The method of evaluating and classifying different elements that affect an organization's opportunities, threats, weaknesses, and strengths is known as SWOT analysis [7]. The computations include figuring out the weight (b) and score (a) of each factor point, as well as

the sum of the weight and score multiplication ($c = a \times b$) for every S-W-O-T factor. Because each factor point is evaluated separately, the assessment of one factor point shouldn't affect or be impacted by the assessment of other factor points.

Although the selection of the score range has a significant impact on the assessment's accuracy, the most widely used range is 0 to 5, which denotes a good or positive outcome, and 0 to -5, which denotes a terrible or negative outcome, assuming that 5 is the highest score and -5 is the lowest. Every factor point is executed in a mutually dependent manner. In other words, evaluating a factor point involves comparing its level of importance to other factor points. The value obtained (the range of values is equal to the number of factor points) divided by the total number of factor points is the calculation formula. The achieved value ($d = x$) becomes the value or point on the X-axis, and the obtained value ($e = y$) becomes the value or point on the Y-axis, after subtracting the total number of S factors from W (d) and O factors from T (e). determining the location in the SWOT quadrant that the point (x,y) indicates.

The SWOT quadrant matrix is divided into four sectors, including Quadrant I (positive, positive). This perspective suggests a robust and promising approach. Progressive (making use of current opportunities and strengths) and Quadrant II (positive, negative) are the suggested approaches. Despite facing several obstacles, this perspective suggests a solid strategy. Strategy Diversification (opportunities cannot be utilized), Quadrant III (negative, positive), is the suggested approach. This stance suggests a poor plan with a lot of promise. Change Strategy (minimize threats), Quadrant IV (negative, negative), is the suggested course of action. This stance suggests a poor plan that is confronted with severe obstacles. Since the current opportunities and strengths cannot be leveraged for strategy development, a defensive strategy is advised. Nine boxes are displayed in the SWOT matrix, which will lead to a set of strategic alternatives. The two boxes at the top of the matrix indicate internal factors, such as strengths and weaknesses, while the two boxes at the bottom indicate external factors, such as opportunities and threats. The remaining four boxes represent strategic issues that result from the interaction of internal and external factors [12].

4. RESULTS

A summary table of the six ratio calculations is shown in Table 7 below, which shows the results of the computations for each financial ratio for the Fiscal Year 2020 to 2023: Degree of Decentralization Ratio, Village Financial Independence Ratio, Village Financial Dependency Ratio, Effectiveness Ratio of Village Original Revenue (PADes), Expenditure Efficiency Ratio, and Growth Ratio of Village Original Revenue (PADes):

Table 7
Results of Financial Ratio Calculation
Sarang Burung Village Government Fiscal Year 2020-2023

No	Description	Fiscal Year				Average	Criteria
		2020	2021	2022	2023		
1.	Degree of Decentralization Ratio	0,40%	0%	0%	0%	0,1%	Very Poor
2.	Village Financial Independence Ratio	0,40%	0%	0%	0%	0,1%	Very Low
3.	Village Financial Dependency Ratio	99,60%	100%	100%	98,27%	99,47%	Very High
4.	Ratio of PADes Effectiveness	100%	0%	0%	0%	25%	Not Effective
5.	Spending Efficiency Ratio	99,30%	99,16%	99,66%	98,18%	99,06%	Less Efficient
6.	Ratio of PADes Growth	0%	0%	0%	0%	0%	Not Good

Source : Data processed by researchers from the APBDes Sarang Burung Implementation Report, 2020-2023

Degree of Decentralization Ratio

According to Table 7 Degree of Decentralization Ratio, the Sarang Burung Village Government's financial performance falls into the Very Poor category. For three years in a row (2021–2023), the Degree of Decentralization Ratio was 0%, after being 0.40% in 2020. Since it stays between 0.00 and 10.00%, it can be concluded that the Sarang Burung Village Government's financial capacity is still Very Poor overall. This runs counter to the hypothesis [6] that states that the village government's capacity to execute decentralization increases with the PADes' involvement.

Village Financial Independence Ratio

Table 7 Village Financial Independence Ratio classifies the Sarang Burung Village Government's financial performance as extremely poor. For three years in a row (2021–2023), the Village Financial Independence Ratio was 0%, after having been 0.40% since 2020. Since it stays between 0% and 25%, it can be concluded that the Sarang Burung Village Government's financial independence is still categorized as Very Low overall. This suggests that the village authority continues to rely significantly on outside help, particularly from the federal and provincial governments. This study runs counter to the findings of the West Kalimantan Provincial Government's researchers [13], who claimed that the

government's financial independence allows it to conduct autonomous affairs and fully explore the possibilities of the area it controls.

Village Financial Dependency Ratio

It is evident from Table 7 above that the Sarang Burung Village Government's financial performance falls into the category of Very High when viewed from the perspective of the Village Financial Dependency Ratio. In 2020, the Sarang Burung Village Government's Village Financial Dependency Ratio was 99.60%; in 2021–2022, it rose to 100%; and in 2023, it fell to 98.27%. This suggests that the Sarang Burung Village Government is still largely reliant on aid from the federal and provincial governments and has limited capacity to identify village revenue sources. With a percentage of >50.01%, the Sarang Burung Village Government's overall level of dependency is still Very High. Researchers in the Sleman Regency, where there is a great deal of reliance on the central government, support this study [11].

Ratio of PADes Effectiveness

When the Sarang Burung Village Government's financial performance is examined from the perspective of the PADes Effectiveness Ratio in Table 7 above, it is evident that the government was successful in reaching a village financial capability of 100% during the 2020 fiscal year, which is why it was classified as effective. However, the village's financial competence was classified as ineffective throughout the fiscal years 2021–2023, as indicated by the PADes Effectiveness Ratio of 0%. This occurred as a result of Sarang Burung Village's lack of Village Original Income (PADes) between the fiscal years 2021 and 2023. All things considered, PADes Sarang Burung's average effectiveness ratio of 25% places it in the ineffectual range. Comparing this study to that of the researcher [11] on the Adabang Village Government in Titehena District, East Flores Regency, the obtained ratio shows that this group is highly successful in generating its first village revenue.

Spending Efficiency Ratio

Based on the Spending Efficiency Ratio in Table 7 above, the Sarang Burung Village Government's financial performance can be classified as less efficient. The average percentage of the spending efficiency ratio from 2020 to 2023 was 99.08%. This suggests that maximizing budget savings has not yet been possible for the Sarang Burung Village Government. Since it still hovers around 90–100%, it can be concluded that the village government's ability to implement budget cuts is less effective overall. Researchers [14] support this study by showing that Tumori Village, Gunungsitoli Barat District, Gunungsitoli City, has an efficiency ratio that is classified as less efficient.

Ratio of PADes Growth

According to table 7 PADes Growth Ratio, the Sarang Burung Village Government's financial performance falls into the "poor" category. In Sarang Burung Village, the PADes Growth Ratio was 0% during the Fiscal Year 2020 to 2023. Given that it is between 0 and 25%, it can be concluded that Sarang Burung Village's PADe growth is generally poor. This demonstrates that Sarang Burung Village has yet to manage its resources and raise its initial revenue. This study runs counter to that of [11], which found

that while Sleman District's regional income performance has successfully raised the overall regional revenue, the region's potential still needs to be completely realized.

SWOT Analysis

The IFAS (Internal Factor Analysis Summary) and EFAS (External Factor Analysis Summary) approaches were used to analyze the internal and external factors influencing the development and potential of Sarang Burung Village, which is situated in the Jambi Luar Kota District, Muaro Jambi Regency. Table 8 below provides a complete summary of the findings from both assessments, including the identification and evaluation of opportunities, threats, weaknesses, and strengths.

Tabel 8
Score IFAS & EFAS

IFAS		EFAS	
Category	Total score	Category	Total score
Strength (S)	3,87	Opportunity (O)	3,15
Weakness (W)	3,49	Threat (T)	3,27
Total (S-W)	0,38	Total (O-T)	-0,12

Source : Data processed by the researcher from the results of distributing questionnaires to village officials.

The Sarang Burung Village Government's financial performance optimization strategy is in Quadrant II (using the S-T strategy) because the results of the IFAS and EFAS calculations show that the strength factors outweigh the weakness factors and the opportunity factors' influence is less than the threat factors.

Discussion

With an average decentralization degree ratio and village financial independence ratio of just 0.1%, classified as very low and extremely low, and a financial dependency ratio classified as very high with an average of 99.47%, the Sarang Burung Village Government's financial ratio analysis from 2020 to 2023 revealed a very high reliance on outside parties. Furthermore, PADes' efficacy ratio is classified as ineffective, averaging 25% and even dropping to 0% in 2021–2023, while their growth ratio is classified as poor, averaging 0%. The village administration has not been able to optimize budget savings, as seen by the average spending efficiency ratio of 99.06%, which is classified as less efficient. Additionally, the spending harmony ratio shows an imbalance between capital and operating expenditures.

When examining the Sarang Burung Village Government's financial performance, the SWOT analysis (Strength, Weakness, Opportunity, and Threat) is used. The two primary components of this study are the External Factor study Summary (EFAS) and the Internal Factor Analysis Summary (IFAS). The town has substantial internal resources that can sustain its finances, as evidenced by its overall strength score of 3.87 on the internal side. A total weakness score of 3.49, however, also indicates the presence of internal issues that

require attention. On the other hand, the fact that the strength-to-weakness ratio is positive (0.38) indicates that the village's internal strengths outweigh its flaws.

The overall village financing opportunity, as seen from the outside, is 3.15. This graphic illustrates that there are several opportunities from the outside world that can be taken advantage of. At 3.27, the overall threat score seems to be higher, suggesting that the hamlet is more vulnerable to outside influences. The fact that the gap between opportunities and threats is negative (-0.12) emphasizes how much more significant external threats are than the opportunities that are available. The findings show that external dangers exceed opportunities and internal strengths outweigh shortcomings. Quadrant II is the Sarang Burung Village Government's ideal strategic location. This indicates that the community should adopt the S-T (Strength-Threats) strategy, which entails making use of its internal strengths in order to successfully confront and lessen the effects of a variety of threats that come from the outside world.

5. Conclusions

The researcher might make the following deductions based on the explanation of the Mendalo Laut Village Government's Financial Performance for the Fiscal Year 2020–2023 in Jambi Luar Kota District, Muaro Jambi Regency: The Sarang Burung Village Government's financial performance is categorized as extremely poor based on the Degree of Decentralization Ratio analysis. The low Village Original Revenue (PADes) contribution—just 0.40% in 2020 and even 0% in the next three years (2021–2023)—reflects this. The proportion shows that the town still has very little financial capacity to support its own requirements and authority.

According to the Village Financial Independence Ratio, which was 0% for three years in a row (2021–2023) and only 0.40% in 2020, the Sarang Burung Village Government's financial independence is categorized as extremely low. With this proportion, the hamlet falls into the category of very low independence (0–25%), indicating a heavy reliance on outside help, especially from the federal and provincial governments. This state is a reflection of the village's less than ideal capacity to independently fund its needs and authority.

The Village Financial Dependency Ratio, which peaked at 99.60% in 2020, rose to 100% in 2021–2022, and then somewhat declined to 98.27% in 2023, indicates that the Sarang Burung Village Government has a very high level of financial dependency. According to these numbers, the town receives relatively little funding from its own sources and is heavily reliant on aid from the federal or provincial governments. All things considered, this state shows how little the community can do on its own to find and control sources of income.

According to the PADes Effectiveness Ratio, the Sarang Burung Village Government's financial efficacy is categorized as usually ineffective. When the effectiveness ratio hit 100% in the 2020 fiscal year, it was deemed effective. However, because Village Original Revenue (PADes) was not realized between 2021 and 2023, the effectiveness ratio of PADes was recorded as 0%. The village's financial performance falls into the unsuccessful category since the average PADe effectiveness ratio from 2020 to 2023 was only 25%. This illustrates how the town has failed to continuously maximize PADes' potential year after year.

The Spending Efficiency Ratio indicates that the Sarang Burung Village Government's financial performance is categorized as less efficient. The average spending efficiency ratio for the fiscal years 2020–2023 was 99.08%, falling into the 90–100% low efficiency range. This proportion shows that the village authority has not been able to maximize savings through optimum budget management. Therefore, in order to make financial management more advantageous and successful, the effectiveness of village expenditure still needs to be increased.

According to the PADes Growth Ratio, the Sarang Burung Village Government's financial performance is classified as poor. Village Original Revenue did not increase throughout the fiscal years 2020–2023, as evidenced by the PADes growth ratio of 0%. Sarang Burung Village has not yet been able to fully utilize its village resource potential to promote sustainable revenue growth, as seen by the proportion falling between 0% and 25%.

The Sarang Burung Village Government's financial performance is positioned in the strategic quadrant II of the SWOT analysis, indicating that they have internal strengths to counter threats. To confront, lessen the effects of, or even turn external threats into opportunities, or at the very least, minimize risks, the Village Government must proactively use and maximize all of its internal capabilities. Additionally, to spot emerging dangers and create effective adaptation plans, external elements must be continuously monitored.

Limitation

Geographical restrictions and the limited time of informants (Village Officials) are two of the researchers' limitations. The data used is limited to a specific time period, therefore the study results only represent situations within that time frame and may not necessarily apply in the long run.

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