

Analysis of the Role of Village-Owned Enterprises in Efforts to Increase Original Income of Ngadireso Village

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ABSTRACT

The Indonesian government chose village-owned enterprises (BUMDes) as one of the solutions to improve rural development. The purpose of this study was to find out the development strategies and constraints for development in Ngadireso Village, Poncokusumo District, Malang Regency through Village Owned Enterprises (BUMDes) in an effort to increase Village Original Income (PADes). This research method uses qualitative methods with a descriptive approach. The setting in this study is Ngadireso Village, Poncokusumo District, Malang Regency. It can be concluded that in developing the role of BUMDes Mitra Karya does not yet have a mature business strategy BUMDes Mitra Karya has made several efforts to increase Village Original Income (PADes). BUMDes Mitra Karya has 4 Business Units such as the WISLIC (Clean Water) Business Unit, Environmental Cleaning Business Unit, Car Wash Business Unit (Katar), and Tourism Village Business Unit. Out of the 4 business units managed by BUMDes Mitra Karya, only 3 business units are already running, such as clean water business units, environmental cleaning business units, and car wash business units, while the tourism village business units have not yet started because they are still constrained by capital so they manage existing tourist objects. not yet realized.

Keywords: BUMDes, PADes

INTRODUCTION

Village-owned enterprises (BUMDes) are one of the solutions chosen by the Indonesian government to improve rural development. According to Law Number 6 Year 2014 Chapter X, specifically Articles 87 to 90, communities can create and organise BUMDes with the guiding principles of brotherhood and mutual assistance. After that, it is stipulated that the Technical Implementation of BUMDes along with its duties and functions is the Minister of Villages, Development of Disadvantaged Regions and Transmigration Regulation Number 4 of 2015. BUMDes is tasked with processing the resources owned by the village in terms of agriculture, plantation, mining, trade, tourism, etc., so that they can be utilised optimally to generate profits. Currently, there are several BUMDes that have succeeded in independently developing their business through the existing economic potential of the village. However, there are still many BUMDes that only rely on support from the kabupaten government through donations from the kabupaten APBD as initial capital. This is partly due to the unprofessional management of BUMDes. To handle BUMDes more effectively, human resource (HR) skills must be developed. In an effort to increase the village's original income, the purpose of this study is to identify development strategies and barriers to the development of village-owned enterprises (BUMDes) in an effort to increase Village Original Income (PADes). The purpose of this study is to determine the significance of BUMDes in an effort to increase Village Original Revenue (PADes) in Ngadireso Village, Poncokusumo District, Malang Regency in order to improve community welfare.

THEORETICAL STUDIES

Village

According to Article 1 point 1 of Law of the Republic of Indonesia Number 6 of 2014, villages are defined as indigenous villages and villages or referred to by other names, hereinafter referred to as villages, there is a legitimate community unit with regional boundaries that is authorised to regulate and manage government affairs, local community interests based on community initiatives, usual rights, and/or traditional values.

According to Kartohadikoesoemo (1984:280), a village is a legitimate entity with a ruling community and a self-governing society. Meanwhile, a village is the lowest level of government organisation, subordinate to a sub-district, and is a legitimate community unit with the authority to manage its own households, according to Ndraha (1981:33).

According to Handono (2005: 132), villages have historically been associated with two different ideas: (1) sociologically, villages are seen as communities within a certain geographical unit that are well connected to each other with a relatively homogeneous way of life and dependent on the environment, so that the community is still very dependent on the environment; and (2) villages are often associated with the organisation of power. Within the framework of state governance, villages are seen as a group of people with considerable power.

Village-owned enterprises

The purpose of BUMDes is to empower village communities through the development of village economic assets and resources. BUMDes is regulated in

Article 213 paragraph (1) of Law No. 32 Year 2004, which states that villages can simultaneously form a Village-Owned Enterprise by utilising the needs & potential of the village. Government Regulation No. 72/2005 on Villages, namely Articles 78 to 81, Section Five on Village-Owned Enterprises, and Minister of Home Affairs Regulation No. 39/2010 on Business Organisations, also stipulate that BUMDes are part of the village.

The purpose of BUMDes is to grow the village economy, manage existing village assets as efficiently as possible, and improve the welfare of the village community. The BUMDes organisation has helped Perlu Iebih become an independent and prosperous village. Firstly, there is no legal justification for BUMDes to exist in the village. In fact, Law No. 8 of 2005 on the Amendment to Law No. 32 of 2004 on Regional Government, as mandated in Chapter VII section Fifth, which states that the Village Government can establish a Synchronised Village-Owned Enterprise using the needs and potential of the village in the hope of increasing the income of the residents, implicitly mandates and supports the spirit to institutionalise BUMDes.

Village Original Revenue

The Village Fund is money transferred through the State Budget and sourced from the State Budget for Villages in order to fund government operations, development, and community empowerment. Regarding Government Regulation No. 60/2014 on Village Funds obtained from the APBN, the utilisation of Village Funds is prioritised to finance village development and empowerment by using the range of regional and local authorities. Villages are tasked with prioritising the use of fixed finances in accordance with the law..

RESEARCH METHODS

Research Design

A problem study is a research strategy in which the researcher closely examines a situation, procedure, activity, programme, or group of people (Creswell, 2010). A case study using a qualitative research design will be used in this research. studying a specific situation that occurs at a specific location and time. Both applied sciences and social and humanitarian sciences use case studies. In this research case study, Ngadireso Village, Poncokusumo District, and Malang Regency became the research location.

Research Setting

This research will be conducted in Ngadireso Village, Poncokusumo District, Malang Regency. Researchers chose this place because there was a consistent increase in village revenue. The research time will be held for 2 months, the research starts from proposal writing, data collection, data processing, then preparing a research report.

Informant Determinant

Determination of key informants in this study is based on informants who have knowledge in their fields.

In this study, the informants who will be researched include:

1. Village Head
2. Chairman of BUMDes
3. Secretary
4. Treasurer

5. Head of Finance of Ngadireso Village
6. Ngadireso Village Government Section Head
7. Head of WISLIC (Clean Water) Business Unit
8. Head of the Environmental Hygiene Business Unit
9. Head of the Car Wash Business Unit (KATAR)
10. Head of the Tourism Village Business Unit

Data Collection Technique

1. Data Collection Tools

The data collection methods used in this research are:

- a. Observation
- b. Interview
- c. Documentation
- d. Literature Study

2. Data Analysis

a. Data reduction

Information reduction is the process of selecting information that has been obtained by researchers who are written down which is simplified or summarises the main or meaningful things. So that it can be easily understood and the information can provide a clear and planned picture of the results of observations for researchers.

b. Data Presentation

The data that researchers try when in the field is generally presented with charts, short explanations, and others so that it continues and is easy to understand, therefore when presenting information in the form of descriptions and tables it will make it easier for readers to master. That way researchers can master the data that has been obtained and used in great detail.

c. Drawing Conclusions

Conclusions are used by researchers to respond to all problem formulations that have been determined by researchers. The results to be obtained from the analysis are concluded by the researcher descriptively with the data that has been obtained. drawing conclusions can be tried by the method of equating the suitability of the statements of the research subjects with the basic concepts of the study.

3. Data Validity

a. Credibility Criteria

Credibility involves establishing that the results of qualitative research can be trusted from the perspective of the participants.

b. Transferability

The transferability criterion refers to the degree to which the results of qualitative research can be generalised..

c. Dependability

Researchers can explain the changes taking place in their work and how these changes may affect the way they approach their research.

d. Confrimability

The criterion of confirmability refers to the degree to which research results can be confirmed by others.

4. Data Triangulation

- a. Origin triangulation is using the way of comparing observation data using data resulting from interviews, comparing what people say in public and use in private, comparing the main informant's interview with the words of others. From the results of the comparison will receive similarities in views, thoughts, and opinions and will further strengthen the truth extracted from several different origins.
- b. Triangulation of methods, namely checking the degree of confidence in the findings of research results with several data collection techniques.
- c. Triangulation by utilising other researchers or observers for the purpose of rechecking the degree of data confidence.
- d. Triangulation of theories, namely in discussing conflicts using more than one theory.

RESULTS AND DISCUSSION

Based on the identification of the problem and obtaining data from interviews with several respondents (surrounding community, business actors, business managers and tourists), the following results were obtained:

In its development, BUMDes Mitra Karya does not have a mature business strategy. However, after the interview, the BUMDes Mitra Karya has made several efforts to increase Village Revenue (PADes). BUMDes Mitra Karya has 4 business units such as WISLIC (Clean Water) Business Unit, Environmental Hygiene Business Unit, Car Wash Business Unit (Katar), and Tourism Village Business Unit. Of the 4 business units managed by BUMDes Mitra Karya, only 3 business units have been running such as the clean water business unit, environmental hygiene business unit, and car wash business unit while the tourist village business unit has not been running because it is still constrained by capital so that managing existing tourist attractions has not been realised.

The development strategy is also carried out by increasing the knowledge of the management team and increasing the knowledge of the surrounding community about the potential in Ngadireso village. BUMDes Mitra Karya has divided the duties of the business unit management team. However, with this, it is hoped that the management team will not only understand individual tasks but also have other knowledge equally. With the existing knowledge, it is hoped that a new innovation can emerge in utilising the existing potential and showing the uniqueness of ngadireso village.

In line with the development of the potential of Ngadireso Village, it does not mean that the problems that arise will stop. According to an interview with one of the pengeIola, with the development of BUMDes Mitra Karya, the problems or obstacles that occur will become more complex. There are several obstacles in the development of BUMDes Mitra Karya, namely

The first is inadequate human resources. With the development of BUMDes Mitra Karya, more human resources will be needed to manage BUMDes Mitra Karya. However, currently the capacity and quality of existing human resources is inadequate.

When viewed from the income received by BUMDes Mitra Karya in 2021 every month tends to fluctuate. In 2020, despite being affected by Covid 19, the

manager of BUMDes Mitra Karya was able to survive and innovate by exploring the potential that existed in BUMDes Mitra Karya due to the lack of activities in the village. And this was successful and received a positive response from the local village community. So BUMDes Mitra Karya in its development still has no existing changes.

The second is the level of tourism awareness of the surrounding community, especially the Ngadireso Village community, which is not yet aligned and in line with the BUMDes Mitra Karya manager. Thus it can be interpreted that some people of Ngadireso Village have not fully supported the existence of tourism activities, especially in the development of BUMDes Mitra Karya. However, the manager is also concerned about the comfort of the local community as the development of BUMDes Mitra Karya increases. Another barrier is the lack of funding available to develop the potential of BUMDes Mitra Karya.

The existence of BUMDes Mitra Karya in Ngadireso Village has provided many positive impacts on the economic and social aspects of the surrounding community, especially in Ngadireso Village. In terms of the economy, BUMDes Mitra Karya can improve the poor economy of the community. BUMDes Mitra Karya provides business opportunities and employment opportunities for the surrounding community. Business opportunities created by the manager of clean water, environmental cleanliness, and tourist car washing. is in the form of a place that can be used by the local community to sell in the BUMDes Mitra Karya area.

In addition to the economic impact, with the existence of BUMDes Mitra Karya, the community can also feel the social impact, namely the manager empowers the community, especially young people to participate in the management of BUMDes Mitra Karya. This can strengthen the relationship and relationship between the community, especially among young people who are called the bowing generation. This also means that it can reduce the Ngadireso Village community, especially BUMDes Mitra Karya, whose status is unemployment. With the existence of BUMDes Mitra Karya, it can also provide education to the surrounding community that we as humans are created as social beings, which means that we cannot be individual beings but we need each other.

In terms of the results of the research conducted by the researcher in the field, there are several that were found by the researcher including the following:

- a. Findings on the Potential Development Strategy of Ngadireso Village in increasing village revenue

Based on the research findings, related issues were identified in relation to the implementation of the Ngadireso Village development strategy, including the promotion of tourist destinations from oral to oral, updating tourism facilities and aspects, providing guidance to encourage tourism awareness behaviour so that local residents participate in the development of Ngadireso Village, holding discussions with students who are conducting community service and research for the sustainability of the village, and many more.

Firstly, in increasing the village's original income can be through BUMDes Mitra Karya by managing the potential in Ngadireso village.

Secondly, the BUMDes Mitra Karya business development strategy by managing existing potential so that it needs to be created and designed by managers and employees, of course with the support of the village government. If later the BUMDes Mitra Karya business development strategy here can be

well organised and mature, we can unite synergies to develop the BUMDes Mitra Karya business that is currently managed. Which ultimately benefits ngadireso villagers.

Third, the development of BUMDes Mitra Karya is carried out by promoting tourist destinations by word of mouth, which is considered effective in increasing the number of domestic tourists visiting existing business units. Word of mouth is usually done by tourists voluntarily. They tell their experiences in travelling and enjoying the culinary delights found in tourist attractions. In addition to telling about the tourist experience, they will also advise others to come visit and take the time to enjoy the culinary delights served at tourist attractions. However, word of mouth will cause tourist visits to be dominated by the surrounding community. Therefore, promotion through social media is also important to do. Through promotion on social media, it is hoped that more and more outside communities will know about the existence of this tour, which can indirectly help the process of developing business units managed by BUMDes Mitra Karya. With the existence of new attractions, it will increase the attractiveness of tourists to visit ngadireso village such as tirta umbulan The awareness of the local community to manage and participate in the development of tourist destinations is one of the important things. If the higher the enthusiasm of the local community to assist in the management and development of tourist destinations, it will accelerate the process of developing these tourist destinations. Vice versa, if the local community has low enthusiasm to help in the management and development of tourist destinations, the development process will also be hampered.

Fourth, the development of tourism potential is very much but still not well managed, one of which is Tirta Umbulan, such as the provision of public facilities so that visitors who come feel comfortable when travelling in Ngadireso village. With the support of adequate facilities, it will improve services in the village.

The five BUMDes play a role in contributing to increase Regional Original Income. When viewed from the existing potential in Ngadireso Village, one of which is in the tourism sector, BUMDes is still not running so that in the future further coordination can increase Village Original Income.

b. Findings on what inhibits Ngadireso Village Development in increasing village revenue

Based on the data mentioned above, the obstacles to the development of Ngadireso Village are as follows:

Firstly, the village does not have the capital to manage existing potential and the income from businesses managed by the village is very small because the businesses managed by the village are less developed so they only have a small income and only provide income to the village in small amounts because they are not optimally organised.

Secondly, in 2020 since the establishment of Village-Owned Enterprises (BUMDes) until now it has not contributed to the village's original income. Because it is less organised in its implementation. When viewed from the existing potential, it is unfortunate that there are still some that have not been properly explored, such as the tourism sector.

The third obstacle is more about the road signs to this tour. Maybe it should be made. Because for tourists who will visit this tour and not use google maps, it might be difficult to find its location.

Fourth, promotion on social media is not well managed. Because it is seen that the social media of this tour is less active, so the wider community does not know what developments have been there "

Fifth, it does not yet have a mature and structured business strategy. This is one of the results of the lack of competent human resources."

CONCLUSIONS

In its development role, BUMDes Mitra Karya does not have a mature business strategy. However, after conducting interviews, the BUMDes Mitra Karya has made several efforts to increase Village Revenue (PADes). BUMDes Mitra Karya has 4 business units such as WISLIC (Clean Water) Business Unit, Environmental Hygiene Business Unit, Car Wash Business Unit (Katar), and Tourism Village Business Unit. Of the 4 business units managed by BUMDes Mitra Karya, only 3 business units have been running such as the clean water business unit, environmental hygiene business unit, and car wash business unit while the tourist village business unit has not been running because it is still constrained by capital so that managing existing tourist attractions has not been realised.

BUMDes Mitra Karya's business results that are included in the Village Original Income (PADes) are still not. Meanwhile, the remaining other income goes to BUMDes Mitra Karya capital, Operations, General Reserves.

Based on the results of the research conducted by the researcher, the researcher can provide the following suggestions: Improving the organisational structure so that its implementation can be structured, Improving the preparation of existing data that is still simple and some have not been made, Improving supporting facilities in ngadireso village such as street lights, road signs, and improving other public facilities. This is to facilitate access to the village and comfort while in ngadireso village, Creating a strategy to increase the existing potential in a structured manner if you have competent human resources.

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