

# ROLE OF VILLAGE OWNED ENTERPRISES (BUMDES) IN DESA TULABOLO EAST SUWAWA SUB-DISTRICT BONE BOLANGO COUNTRY

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## ABSTRACT

This research aims to find out the role of village-owned enterprises (BUMDesa) in community economic empowerment in Tulabolo Village, East Suwawa District of Bone Bolango Regency.

This research method uses descriptive research with a qualitative approach. Data collection techniques are used in this study through observation, interviews and documentation. The number of informants there are 5 people consisting of, the village head, the village secretary, bumdes manager and 2 people.

The results of this study are seen in the principle of management of BUMDes does not run optimally, including: Cooperative principles. Directionless management and the attitude of disrespecting each other's duties and main functions of fellow BUMDes managers. Participatory principle. The existence of BUMDes managers on the management of business units that do not carry out their main duties causes friction so as to damage the structure of the BUMDes container. Emancipatory Principles. Emancipation between the village government, BUMDes administrators and the village community is well established but the manager has not been maximally empowered by the presence of BUMDes containers. The principle of transparency. Unclear in terms of administration and management of capital. The Principle of Accountability. The board is no longer responsible for technically or administratively managing BUMDes to the village government. Sustainable Principles. Bumdes Inogaluma's administrators and activities are currently freezing. The main advice on the run is that the government pays attention that in providing incentives must be regulated in village regulations and in recruiters the management of the back really pays attention to the science of education at its disposal.

**Keywords:** Business Entities Own Villages (BUMDes), Community Empowerment, Village Economy

## INTRODUCTION

Regional autonomy is considered as one form or system that is suitable for an archipelago as large as Indonesia so that the government in a region can prove its own potential to realize the welfare of its citizens. As it grows, the passion to spur the realization of the welfare of citizens through regional autonomy and in action continues with the village autonomy system. The progress of

regional autonomy into village autonomy has been regulated in the establishment of Law No. 6 of 2014 concerning Villages and Government Regulation of the Republic of Indonesia No. 43 of 2014 concerning The Regulation of The Application of Law No. 6 of 2014 concerning Villages as its implementation regulations.

The village budget submitted by the government has been stated in Law Regulation

No. 6 of 2014 which states that the village gets a budget of 10% of the state budget. The village budget submitted is not the same amount for each village. Not only that, the village budget submitted has been adjusted to the geographical position, the ability owned by the village, the number of people, and the magnitude of the death rate in a village.

In fact, not a few villages fail in regulating the village budget, this condition is due to some villages can not account for the village budget in a maximum way. The budget submitted to the village is very large, but government intervention is also very large, so it will limit the copyright power of residents in regulating and developing the village.

Various programs have been run by the government by distributing budgets for village development programs, one of which can be used to establish Village Owned Enterprises (BUMDes). The establishment of BUMDes which is entirely regulated by the village community is expected to be able to spur the economic wheels of the villagers and also the economic wheels of the village itself.

The government's goal in establishing BUMDes is to improve the village economy, increase the efforts of residents in managing the economic capabilities of the village, and increase the income of villagers and the original income of the village [12].

The establishment of BUMDes is not only intended for the development and empowerment of villagers, BUMDes is also expected to increase the original income of the village. The presence of BUMDes is expected to create and empower residents, in the sense that the presence of BUMDes will be able to contribute to the village and have a positive effect on increasing the village's original income. The presence of BUMDes was approved through a village conference and arranged with a family spirit and kegotongroyongan [10].

This research was conducted in Tulabolo Village of East Suwawa District of Bone

Bolango Regency under the name BUMDes Inogaluma which was established in 2017 and exists in 2018 based on Tulabolo Village Regulation No.1 of 2018 on Village Owned Enterprises. BUMDes Inogaluma is engaged in one business field, namely laying hen farming with a cage size of 12m x 28m and a chicken capacity of 1000 tails.

Early in the establishment, BUMDes Inogaluma empowered the residents of Tulabolo Village as many as 30 workers employed in several parts such as laying hen making work, procurement of laying hen seedlings and chicken sorting, maintenance, care and feeding, cleaning cages and chicken manure, egg harvesting, egg sorting, egg distribution to the market and consumer community as well as on the purchase of feed.

But the current condition, the empowered workforce left three people. This is because the production of chicken eggs is decreasing with the age of laying hens that have entered the age of afkir or age is no longer productive to lay eggs and by the village government as an organization that accommodates Bumdes no longer do rejuvenation or procurement of new chicken seedlings.

Another problem is that the circulation of egg distribution to get to the market or directly to consumers is hampered by transportation access that cannot reach the location of the cage so that when competing with other villages that also produce eggs and pass the transportation route, as well as the village government that does not support the development of Bumdes due to an imbalance of the distribution of results from Bumdes managers who enter the village treasury and also the internal competition between administrators in Bumdes.

Good management of BUMDes refers to the principles of cooperative, participatory, emancipation, transparency, accountable and Sustainable [6]. However, from the results of observations in the field the real reality that occurs is, As follows:

Pertama, cooperative is intended is all components involved in BUMDes must be able to do good cooperation for the development and survival of their business, but the condition that occurs is a split because there are parties who feel unfair with the distribution of results.

Second, participatory, it is intended that all components involved in BUMDes must be willing to voluntarily or be asked to provide support and contributions that can encourage the progress of BUMDes business, but the condition that occurs is that the existence of BUMDes does not fully have the support of the village government.

Third, Emancipation, is intended is that all components involved in BUMDes must be treated equally regardless of class, ethnicity and religion, but the condition that occurs is that the involvement is more dominantly carried out by men because the effort done requires physical conditions.

Fourth, transparency, intended is an activity that affects the interests of the general public must be known by all levels of society easily and openly, the condition that occurs is all activities carried out until the reporting of activities is only known by bumdes managers.

Fifth, accountable, it is intended that all business activities must be able to be accounted for technically and administratively, the condition that occurs is bumdes activities are getting less and less, but there are no responsibilities, especially the budget used for bumdes management.

Sixth, Sustainable, is intended is that business activities must be developed and preserved by the community in bumdes container, the conditions that occur are unsustainable activities and the worst conditions for now BUMDes business is almost dead.

The role of well-managed BUMDes should have an impact on community empowerment, development and community welfare. But empirical evidence from some

previous research results found different results.

BUMDes has not fully contributed and provided very significant benefits to the welfare of the community as well as on the development and empowerment of the community [1].

The existence of BUMDes has had a positive impact on the economy of the village community. The existence of BUMDes is proven to increase the original income of the village as well as increase the ability in the development of businesses owned by the village community [2]. Community participation in BUMDes activities is still lacking, because public knowledge of bumdes program is still very little resulting in less running bumdes well [5].

## RESEARCH METHODS

This research is a type of descriptive research with a qualitative approach. In this study, the data obtained is data that is analytical in the form of narratives, documents that will then be described by describing the data obtained by research results in the form of community empowerment through BUMDes in Tulabolo Village without using statistical procedures in it [8].

The method of processing and analyzing data in this study is carried out interactively and continues continuously until complete, so the data is saturated. Activities in data analysis, namely data reduction, data display, and conclusion drawing/verification [8].

## RESEARCH RESULTS

### Cooperative

Tulabolo Village Government with BUMDes Inogaluma management has done good cooperation for the development and survival of BUMDes. This is seen from the seriousness of the government providing capital participation investment to BUMDes whose goal is to get PAD and can empower unemployed and approaching residents in the availability of chicken eggs, so that the community receives the impact of its welfare

both BUMDes and community managers. However, because management is not directed and the attitude of disrespecting each other's duties and main functions of fellow BUMDes administrators causes internal problems to occur and leads to the temporary freezing of BUMDes administrators.

### **Participatory**

All parties, both the village government and bumdes inogaluma management, at the beginning of the establishment have been willing to participate voluntarily to provide support and contributions that can encourage the progress of BUMDes business. Only now bumdes management on the management of business units, experiencing friction that damages the structure of the BUMDes container.

### **Emansipatif**

The participation between the village government, BUMDes administrators and the village community is well established. All parties are treated equally regardless of class, tribe and religion.

### **Transparency**

The beginning of the establishment of BUMDes, transparency in all things, both administration and capital participation has been going well. But now, it has begun to be unclear, so the Tulabolo Village Government is freezing the management and activities of BUMDes.

### **Accountable**

The beginning of the establishment until 2020, the accountability of BUMDes activities is fine, this is evident in the division of PAD to the village received a sum of Rp.7,000,000 (seven million rupiah) that has been fit in the 2021 APBDes, but there is currently a freeze of administrators because the board is no longer responsible technically or administratively to the village government.

### **Sustainable**

BUMDes Inogaluma's activity manager is

currently experiencing a freeze to management and also its activities. Currently the Village Government provides duties and responsibilities to the supervisory body to conduct an evaluation to refresh the new BUMDes manager raised in village deliberations. The results of the evaluation will be used by the village government to make capital participation back to BUMDes to continue the pending units and build new units to be used as a comparison and pursue unit losses that have not worked so far.

## **DISCUSSION**

### **Cooperative**

Cooperative is the principle of bumdes management where all components involved in BUMDes must be able to do good cooperation for the development and survival of their business.

The results showed that the Tulabolo Village government with BUMDes Inogaluma administrators had done good cooperation for the development and survival of BUMDes. This is seen from the seriousness of the government providing capital participation investment to BUMDes whose purpose is to get PAD and can empower unemployed citizens and approach services in the availability of chicken eggs, so that the community receives the impact of its welfare both BUMDes administrators and the community.

However, because management is not directed and the attitude of disrespecting each other's duties and main functions of fellow BUMDes administrators causes internal problems to occur and leads to the temporary freezing of BUMDes administrators. The unstable duties and basic functions of BUMDes managers are due to unevenness in the workload in emban, such as cooperation in supplying animal feed to the distribution of eggs to consumers, transportation problems that are obstacles faced, the cost is quite high, the operation of transportation facilities still uses personal facilities so it is not comparable

to incentives for the results received.

Technological constraints, human resources, and business competition can be overcome with solid collaboration between the government and villagers so as to overcome all obstacles and be able to make BUMDes a facilitator in the socio-economic empowerment of the community.

### **Participatory**

Participatory is the principle of bumdes management where all components involved in BUMDes must be willing to voluntarily or be asked to provide support and contributions that can encourage the progress of BUMDes business.

The results showed that all parties both the village government and bumdes inogaluma administrators, at the beginning of the establishment, were willing to participate voluntarily to provide support and contributions that can encourage the progress of BUMDes business and village development. Only now bumdes management on the management of business units, experiencing friction that damages the structure of the BUMDes container. One of the big problems in bumdes management is the lack of incentives regulated in the village government regulations or perdes about the amount received by bumdes managers.

Participatory development is a system of development management in villages and rural areas coordinated by the Village Head by prioritizing togetherness, family, and cooperation to realize peace and social justice [4].

The participation of the village government related to the participation of capital in BUMDes can apply for capital loans to outside parties, such as from the Village Government or other parties, even through third parties [11].

BUMDes is a village business formed or established by the village government whose capital ownership and management is carried out by the village government and the

community.

Thus, the participation of all parties, both the village government, bumdes administrators and the community, participation is very important because community participation is a tool to obtain information about the conditions, needs, and attitudes of the local community, without the presence of development programs and projects will fail; the community will trust the project or development program more if they feel involved in the preparation and planning process, because they will know more about the intricacies of the project and will have a sense of belonging to the project; Participation is a democratic right when people are involved in the development of their own societies.

### **Emansipatif**

Emancipation is the principle of bumdes management where all components involved in BUMDes must be treated equally regardless of class, ethnicity and religion [6].

From the results of the study showed that emancipation between the village government, bumdes administrators and the village community is well established. All parties are treated equally regardless of class, tribe and religion. To improve the economy of community welfare through BUMDes, several important things are needed including the quality of human resources and equal understanding and treatment of all parties including understanding the characteristics of competitors.

Organizations such as BUMDes in addition to being seen as a forum for people's activities are also seen as a process, namely highlighting interactions between people who are members in it. The success of an organization is determined by the quality of human resources that interact with each other, cooperate well and develop the organization in question. The organization in improving human resources in order to optimize employee performance can not be separated from the empowerment of existing potential

without seeing the differences in ethnicity, religion, and social status, so that the purpose of the establishment of BUMDes in addition to gaining benefits can also empower BUMDes managers in their management.

### **Transparency**

Transparency is the principle of managing BUMDes where all activities that affect the interests of the general public must be known by all levels of society easily and openly.

The results showed that at the beginning of the establishment of BUMDes, transparency in all things, both administration and capital participation has been going well. But now, it has begun to be unclear, so the Tulabolo Village Government is freezing the management and activities of BUMDes. This freeze is carried out to minimize future problems and is an evasion and reference of the Tulabolo village government in the future to choose people whose dedication is very high in cooperation to facilitate investment from the village through BUMDes containers.

The existence of BUMDes does not have a significant impact on the residents; this is because residents argue that the increase in the original opinion of the village by BUMDes cannot be felt directly by the residents. BUMDes and the village government are required to have a close relationship and can maintain the balance of relations so that no one dominates each other. This imbalance of relations leads to distrust of citizens towards managers, so transparency and accountability are needed [1]. In addition, the professionalism of BUMDes managers is also an important key to answering human resource problems.

The existence of openness in business management allows the public to participate in knowing, participating in thinking, making noise, and participating in deciding in the framework of the implementation of BUMDes activities. The implementation of the principle of transparency in the implementation of BUMDes is necessary in order to achieve a

good organizational climate and also so that the public can fully trust the implementation of the business carried out by bumdes managers themselves. Good corporate organization management is the main goal is the realization of professional organization implementation, legal integrity, transparent, accountable, has credibility, clean, sensitive and responsive to all interests and aspirations based on ethics, spirit of service, and public accountability and integrity of devotion in carrying out the mission of the nation's struggle to realize the ideals and goals of the state.

With transparency will provide benefits including improving organizational accountability and for the community can be a pangawas in every policy made by the organization's management so that organizational performance becomes better [9]. If information on the implementation of the organization can be accessed easily by the public, making public organizations free from corruption due to strict supervision on the part of the community so as to make the public organization manager more responsible for its duties in serving the community. In addition, transparency can increase public trust in the organization's management and build closer social relationships between the two.

### **Accountable**

Accountability is the principle of bumdes management where all business activities must be able to be accounted for technically and administratively [6].

Accountability is a form of accountability of BUMDes managers in performing tasks. BUMDes accountability refers to accountability to outsiders such as communities or communities that use BUMDes. In addition, as a manager or manager bumdes must have the nature of indirect accountability where the management has power where getting approval before the decision is made, has a role where the key in the management of BUMDes lies in the

manager who is required to have the ability to carry out obligations. The results showed that at the beginning of establishment until 2020, the accountability of BUMDes activities is fine, this is evident in the division of PAD to the village received a sum of Rp.7,000,000 (seven million rupiah) that has been fit in the 2020 APBDes, but currently there is a freeze of administrators because the manager is no longer responsible technically or administratively to the village government.

The steps taken by the Village Government regarding the freeze of course there are procedures in place, the Village Government invites all bumdes administrators and supervisory bodies so that the Supervisory Agency is ordered by the village head to audit the financial reporting system for accountability and institutional system problems as a reference to carry out the freeze approved by bpd institutions in the village. The results of the joint crush there are several things that will be evaluated for the development of BUMDes in the future, one of which is the need to make Perdes about AD / ART BUMDes, incentive provisions received by BUMDes, Operasional BUMDes which will be regulated in village regulations, and the recruitment of BUMDes Managers who certainly have economic and management science.

The results are clearly not in accordance with Permendagri No. 39 of 2010 which explained that in terms of accountability, BUMDes managers are responsible for reporting the results of business management to the Village Head and the Village Head reporting BUMDes accountability to the Supervisory Agency through meetings between villages.

Such accountability is intended to maintain public trust and maintain the exclusivity of business entities. If accountability is not met then the organization's goals also cannot be achieved, because one of the goals of BUMDes is to

become an accountable public service organization.

### **Sustainable**

Sustainable is the principle of bumdes management where all business activities must be developed and preserved by the community in bumdes container [6]. Business activities must be able to be developed and preserved by the community in bumdes container. BUMDes was established with the clear goal of economic empowerment of the village community. This goal will be achieved by providing services for productive businesses, especially for rural poor groups, creating equitable opportunities to strive, and increasing the income of rural communities.

Related to the participation of capital from the village government, the process of strengthening the village economy through BUMDes is expected to be more empowered. This is due to the support of the village budget funds that are getting bigger. Thus allowing the availability of sufficient capital for the establishment of BUMDes. If this applies in line, then there will be an increase in PADesa which can then be used for village development activities.

The most important thing in efforts to strengthen the village economy is to strengthen cooperation, build togetherness/ establish attachment in all levels of village society, so that it becomes a boost (steam engine) in efforts to alleviate poverty, unemployment, and open market access.

The results showed that the board and activities of BUMDes Inogaluma are currently experiencing a freeze of administrators and their activities. Currently the Village Government provides duties and responsibilities to the supervisory body to conduct an evaluation to refresh the new BUMDes manager raised in village deliberations.

The results of the evaluation will be used by the village government to make capital participation back to BUMDes to continue the

pending units and build new units to be used as a comparison and pursue unit losses that have not worked so far. To pursue losses, the village government must conduct a cooperation unit that generates considerable income that can invest into BUMDes together of course in the savings and development of MSMEs and other units that provide great opportunities on BUMDes revenue itself.

## CONCLUSION

The existence of BUMDes Inogaluma does not play a significant role in community empowerment in tulabolo village of East Suwawa Subdistrict. This is because the operational activities of laying hen farming business only lasted short and led to a temporary freeze of management and administrative activities of BUMDes Inogaluma. In addition, some bumdes management principles do not run optimally, including:

1. Cooperative principle. Directionless management and the attitude of disrespecting each other's duties and basic functions of fellow BUMDes managers cause internal problems to occur and lead to the temporary freezing of BUMDes managers.
2. Participatory principle. The existence of BUMDes managers on the management of business units that do not carry out their main duties causes friction so as to damage the structure of the BUMDes container.
3. The principle of transparency. Unclear in terms of administration and capital management so that the village government freezes the board.
4. The Principle of Accountability. The board is no longer responsible for technically or administratively managing BUMDes to the village government, so the Government took the step of freezing bumdes inogaluma.
5. Sustainable Principles. Bumdes Inogaluma's administrators and activities are currently freezing, and the Village

government is currently giving duties and responsibilities to the supervisory body to conduct an evaluation to refresh the new BUMDes board and the evaluation results will be used by the village government to re-invest capital to BUMDes and develop business units that generate high enough income to be able to cover some of the losses.

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