



## Development Of Village Economic Potentials Through Village-Owned Businesses (Bumdes) To Increase Community Well-Being Community Welfare In The Village Nanjung Bandung District

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### ABSTRACT

Villages should receive serious attention from the central government with the birth of policies related to economic empowerment that are carried out by gathering and institutionalizing community economic activities. According to qualitative methods are research to describe and analyze phenomena, events, beliefs, attitudes, and social activities individually and in groups. Qualitative methods are a collection of methods to analyze and understand more deeply the meaning of several individuals and groups considered as humanitarian problems or social problems community participation in the implementation of business in BUMDes Nanjung is still not optimal, it can be seen that the stigma from the community towards the presence of BUMDes is still not in accordance with expectations of potential development in BUMDes itself. This is certainly one of the problems and challenges for BUMDes Nanjung. By understanding the causes of low community participation the type of business at BUMDes Mandiri Sejahtera Nanjung has been carried out well, this can be seen that the implementation of the type of business carried out at BUMDes Nanjung utilizes the potential of Human Resources and other equipment that tends to be economical and utilization in the creative field can be a very good innovation Management of business sustainability in BUMDes, in this case management is said to be lacking because it is still limited and too early in the management of BUMDes Nanjung which leaves some shortcomings in carrying out business through BUMDes Nanjung.

**Keyword: Potential, villages, entrepreneur villages**

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## **1. INTRODUCTION**

Village development is very important in improving the welfare of the community. As we all know, village development is the spearhead of the success of national development. Therefore, the government should pay great attention to the implementation of development in the village, especially in economic development. Many village potentials can be developed, one of which is through the existence of Bumdes. Bumdes is used as a tool to manage and develop village potential. Similarly, the Bumdes in Nanjung Village, Margaasih Sub-district, Bandung Regency has many agendas related to business improvement in order to develop its village potential. However, in the field, there are also many obstacles in the development efforts faced by the Bumdes, therefore it feels very important to discuss this research to see the extent of Bumdes' efforts to develop village potential in order to improve the health of the people of Nanjung Village, Margaasih District, Bandung Regency.

Nanjung Village is located in Margaasih district, Bandung Regency (Hidayat, 2021). The majority of the people in Nanjung Village work as farmers and brick entrepreneurs. This means that the economic level of the community can still be said to be low because the level of income is uncertain, only determined by crop yields which sometimes cannot be relied upon to meet needs. This certainly hampers the growth of the village economy, therefore, government efforts are needed to help the economy of rural communities through assistance to villages, but this assistance is generally only in the form of direct assistance, in the sense that it is in the form of rice or cash that is immediately used up for consumption, not in the form of business capital or capital skills to develop the potential that exists in the village, this only hampers the creativity and innovation of rural communities in managing and running economic machines in rural areas which results in dependence on government assistance, thus killing the spirit of independence.

Based on the information described previously, villages should receive serious attention from the central government with the birth of policies related to economic empowerment that are carried out by gathering and institutionalizing community economic activities. BumDesa was born as a new approach to improving the village economy based on the needs and potential of the village (Desa, 2015) The management of BumDes is fully implemented by the village community, which is from the village, by the village, and for the village. The way BumDes works is by accommodating the economic activities of the community in an institutional form or a professionally managed business entity, but still relying on the development of the village's original potential.

## **2. METHOD**

In this study using qualitative research methods. According to (Sukmadinata, 2009) qualitative methods are research to describe and analyze phenomena, events, beliefs, attitudes, and social activities individually and in groups. Qualitative methods are a collection of methods to analyze and understand more deeply the meaning of several individuals and groups considered as humanitarian problems or social problems (Cresswell, 2015). This qualitative research uses exploratory research methods, exploration is a type of preliminary research of a very broad nature. In exploratory research is very important because it will

produce a strong foundation for further research. In this study, researchers used qualitative research to be able to understand phenomena in a natural social context that describes social problems in a person from a behavioral point of view. In qualitative research the researcher analyzes and after that reports the phenomenon in an analysis of the results in the study.

### **3. FINDINGS AND DISCUSSION**

Based on the results of observations and interviews in the field, it can be seen that the efforts to develop village potential carried out by Bumdes to improve community welfare are as follows:

#### **a. Public Participation in Village Development**

##### **1. Public Participation in Village Development Planning in Nanjung Village, Margaasih District**

The success of village development in Nanjung Village, Margaasih Subdistrict is inseparable from the participation of the community as local residents, therefore it is necessary to have community involvement in planning the development of a village. Planning in village development in Nanjung Village, Margaasih district in the management of Village Finance involves the village community through meetings held at the RT and RW levels, which the community often calls "Musrenbangdes". (Musyawarah Pembangunan Desa) (Ana Sopanah, 2023).

##### **2. Community Participation in the Implementation of Village Development Activities in Nanjung Village, Margaasih District**

Participation in the implementation of development is a component that must exist in community participation so that community participation can run well, and provide the expected results, so that the community can take advantage of the results of the development. To mobilize residents in participating in development is very easy, this awareness of participation is driven by an awareness of the importance of working together in welcoming development. Where there is mutual cooperation in carrying out development programs in Nanjung Village, Margaasih District, gradually the benefits will be felt by the residents as well (Hutagalung, 2019).

##### **3. Community Participation in Utilizing the Results of Village Development Activities in Nanjung Village, Margaasih District**

Development result optimization is a form of community acceptance of development results with the assumption that if the community is willing to utilize a development result, it means that the community either directly or indirectly also receives the development results. The benefits obtained by the community from infrastructure development in the form of facilities and infrastructure are so that Nanjung Village, Margaasih Subdistrict, has a change with development that is not left behind like other villages.

#### **b. Type of business in BUMDES Mandiri Sejahtera Nanjung**

Based on an interview with the Secretary of BUMDES Mandiri Sejahtera Nanjung, there are several types of businesses carried out as follows:

"There are various kinds of businesses carried out in this BUMDES, but we see some that can be an advantage, here we do various EO businesses, bottled water, party equipment services. Because there are many communities here, and we also seem to need to be more creative in making businesses, so in the form of an EO, yes, because in terms of our potential there is nothing like a tourist area so it is limited. So we just use the community to make an EO."

In this case it can be understood that BUMDes Mandiri Sejahtera Nanjung utilizes the aspect of creativity in making a business. Given the limited natural resources in Nanjung Village and Nanjung Village being a limited industrial area when utilizing natural resources. This was directly recognized by the President Director of BUMDes Nanjung who said that:

"If you look at it, we are also confused about what business to make because it is an industrial area, so we think about what to do first and see that there is a community in the Nanjung music room, although initially I was also a little tug of war to approve one of them EO-based businesses or rent soundsystems or party equipment, yes. But it actually has the potential to become a business field for BUMDes because there must be many residents who need soundsystems or party equipment. And when I look at the Ministry of Law and Human Rights who registered the business, the EO is quite rare and could be the only one"

In this case, with the limitations of Nanjung Village to leverage economic potential, the BUMDes Nanjung management made a business in the creative field, namely party equipment rental to EO (Event Organizer) service providers. This creative field is indeed a good economic potential because it only utilizes the ability of human resources. In this case, the BUMDes Mandiri Sejahtera Nanjung Management can anticipate the limitations of natural resources by utilizing human resources through a creative field that explores economic potential.

### **c. Managing business sustainability in BUMDes**

Business sustainability in Village-Owned Enterprises (BUMDes) is important to ensure that BUMDes can continue to operate and provide benefits to the village community. In this case, collaboration of all elements is needed to improve business sustainability in BUMDes. The researcher reviewed more deeply how the collaboration process between BUMDes and all elements in Nanjung Village by interviewing the President Director of BUMDes Nanjung who said that:

"If people want to borrow village tools, BUMDES tools like that, the culture is still manual, it's still manual and we haven't prepared it yet. Earlier it wanted to lead to professionals too. Most people go to me or to the director or to whoever is looking after, Bade wants to borrow a chair, on the first date already. Well, we haven't given a receipt, not the price, not yet. Mostly they ask how much the sodaqoh will be, I say, yes, what is this event for how many days and as an attendant for 2 days I have more tools. It's only one day, so it's fine, it's really up to them. That's it, yes. Then give 150, not yet anyway,

not in that direction. Building rental. Rent a building at most if the agencies have an event."

In this case, business management in BUMDes is still not optimal. It can be seen how the implementation of BUMDes management carried out by the management has not been carried out properly, such as the tariff for product utilization to the community is still not going well. This is still based on *sodaqoh/infaq* as much as possible. The decision to set tariffs or prices for products or services offered by Village-Owned Enterprises (BUMDes) must be carefully considered and adapted to local conditions and the business strategy implemented.

The pursuit of profit is natural in a BUMDes venture, but it must also consider the interests of the local community and the principles of local economic empowerment. In this case, the statement conveyed by the BUMDes management that BUMDes Nanjung has not carried out management optimally. When viewed through the implementation of production costs, BUMDes Nanjung has not understood the cost of production or provision of the products or services offered. This is in line with what was conveyed by the Secretary of BUMDes Nanjung that:

"Yes, that's right. Although it has not been maximized, it has not been maximized in its processing. So there are things that are beyond our knowledge that suddenly use *gor*, use the building, suddenly there is a report, this is 300 thousand, even though from the office, for example, a million and a half. There is something like that, without our knowledge, there are events in the village. We have not managed this, it is still our homework actually, it is still our homework. If, in the future, if we arrange it, then we put a label on it, because we have legality, there is already a correction, for example, using a label, they also don't dare to take it, provide it at home, and return it on schedule, we will arrange it later, a few days back, and so on, we plan to arrange it like that, if in ACC, equity capital, equity participation to BUMDES."

In this case, it can be seen that the management of BUMDes Nanjung still has the enthusiasm to improve managerial matters related to the management of the businesses offered. The BUMDes management continues to monitor the results of the changes they implement. They implement continuous improvement based on customer feedback and sales results to ensure better business management. One of the main obstacles faced by BUMDes Nanjung is the lack of managerial knowledge. BUMDes members, despite their passion and commitment, often lack understanding of the basic principles of business management. Although BUMDes Nanjung faces challenges in business management, there is a strong will to change this situation. The awareness of the community and BUMDes members on the need for change, as well as active participation in improvement efforts, is a strong foundation towards better management.

#### **d. Product Promotion and Marketing**

BUMDes Nanjung has attempted to diversify its business to provide more diverse services to the village community. However, without effective promotion and marketing strategies, these products may not reach an optimal market. The researcher explored this further by interviewing the Secretary of BUMDes Nanjung as follows:

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"Once our management, we went through, it was indeed a plan to gather all RW at least, as coordinators in the field, or as an extension of the village government, we have to gather. The plan is that, after the participation funds have been disbursed, and we have completely repaired, we manage it back, we remanage it, we will gather RWRW, to provide information, more knowledge to neighborhood association (RW), so that later neighborhood association (RW), can convey to the community, that yes, the fees for renting, borrowing, sound, and so on, we have also determined the rates, and so on, that's what we will encourage actually. If we go to the community as a whole, maybe 14 thousand or 20 thousand, it is impossible, so we will later gather RWRW to communicate, we can collaborate with neighborhood association (RW), that neighborhood association (RW), is also an extension of the village.

In this case, it can be understood that BUMDes Nanjung still utilizes RW heads in Nanjung Village to market products at BUMDes Nanjung. Product promotion through RW in Nanjung Village can be one of the positive steps to introduce BUMDes products to the local community. However, to achieve an optimal level of product marketing, more than just promotion at the neighborhood association (RW), level is required.

Consideration needs to be taken when conducting neighborhood association (RW)-level promotion, as neighborhood association (RW)-level promotion will mainly reach an audience that is limited to the area. This can be effective if the products or services offered are in high demand in the area, but will limit the market potential if the products in Desa Nanjung can attract customers from outside the village. While product promotion through RW can be a good first step, optimizing product marketing often involves multiple channels and strategies to reach more customers and significantly increase sales.

#### **e. Community Participation in BUMDes**

Village community participation through BUMDes has become an integral part of economic development efforts in various parts of Indonesia. The concept is based on the idea that village communities can actively participate in decision-making, asset management, and policy-making that impact their welfare. However, the reality on the ground often shows that the level of community participation in BUMDes is mixed and could improve. This was observed by interviewing the President Director of BUMDes Nanjung below:

"We at BUMDES still have that perspective, yes, the perspective is still bringing financial assistance to this community from BUMES itself because they may also be calculating the strength of funds in Nanjung village, there are 500 million, for example, they also measure this using infrastructure as much as a percent There is an excess excess of village funds. Actually, if they Until today we have not invited. The entrepreneurs of MSMEs Which initially we wanted a data list Made a data list from BUMES itself What is the strength of MSMEs in the village of Nanjung At first we wanted to be like that But again, it was not a bump in the road When communicating with us from BUMES, the image is already so The image is already that uneffective, really the image is inflated in the community, So in the future, hopefully the community will also be more and more enlightened that BUMES is an institution Village-owned

business entity If you want to bring it together, we data on entrepreneurs, we data on UMKM, we have a marketplace at BUMDES"

In this case, it can be seen that community participation in the implementation of business in BUMDes Nanjung is still not optimal, it can be seen that the stigma from the community towards the presence of BUMDes is still not in accordance with expectations of potential development in BUMDes itself. This is certainly one of the problems and challenges for BUMDes Nanjung. By understanding the causes of low community participation, BUMDes Nanjung can develop more effective strategies to increase community support and engagement. This involves educational approaches, better communication, and building trust in the relationship between BUMDes and its community. The issue of poor community participation in supporting BUMDes Nanjung is a common challenge faced by many BUMDes in different regions. However, it is important to identify the causes and find ways to improve community participation.

#### **4. CONCLUSION**

Based on the results of the research and discussion conducted on Nanjung Village, the researcher draws the conclusion that the implementation of developing the potential of the Village community through BUMDes Nanjung has not run optimally. This can be seen through several implementations that have been carried out below:

**Firstly**, the type of business at BUMDES Mandiri Sejahtera Nanjung has been carried out well, this can be seen that the implementation of the type of business carried out at BUMDes Nanjung utilizes the potential of Human Resources and other equipment that tends to be economical and utilization in the creative field can be a very good innovation.

**Second**, Management of business sustainability in BUMDes, in this case management is said to be lacking because it is still limited and too early in the management of BUMDes Nanjung which leaves some shortcomings in carrying out business through BUMDes Nanjung.

**Third**, Product Promotion and Marketing is still a task carried out by the BUMDes Nanjung management, this can be seen that the implementation of promotions is still only communication between RWs and is not considered significant.

**Fouth**, Community Participation in BUMDes is still a problem because there are still limited people who are members and want to participate, this is due to the community's stigma towards BUMDes which is still not in line with the BUMDes.

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