

THE IMPACTS OF VILLAGE-OWNED ENTERPRISES ON COMMUNITY ECONOMIC IMPROVEMENT IN GUBUGKLAKAH VILLAGE, PONCOKUSUMO DISTRICT, MALANG REGENCY

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ABSTRACT

Villages have the potential to improve the community economy. This potential comes from businesses owned by the community. However, the reality is that there are still many communities that have not been able to manage and develop the potential to the fullest. The right solution to overcome this problem is to form village-owned enterprises (Bumdes). This article discusses the impact of village-owned enterprises on improving the community's economy. This study uses a qualitative method. Through this study, it is expected that the economy of the community in Gubugklakah Village, Poncokusumo District, Malang Regency can improve.

Keywords: Village Owned Enterprises (Bumdes), Community Economy.

INTRODUCTION

One of the contents of the nine Nawacita programs of the President and Vice President of Indonesia is to strengthen the lowest areas (villages) to become the pillars of national sovereignty (Purnama & Bestari, 2021). Each region will increase progression in various fields such as social, cultural, political, and economic, especially the economic field which will have a considerable impact if the economy increases to advance the region (Sudomyr et al., 2020). The government must be able to explore, cultivate and foster the communities to achieve potential in each region (Deeths et al., 2020). All the potential that exists in the village can be managed, starting from natural resources (plants, water, animals, rocks, petroleum), human resources, cultural resources, and enterprise resources (capital) (Muellner et al., 2017). Therefore, the government can prosper the community by carrying out activities to assist and foster its implementation (Mbalyohere & Lawton, 2018).

Rural dynamics in Indonesia have attracted the attention of various parties, such as educational institutions, companies to non-governmental organizations, both at the local, national and international levels (Jiao et al., 2017). Provision of capital by the government following Law No. 6 of 2014 can support village development programs and can overcome the problems (Agustina, 2019). This Law is a tangible step to encourage and build society or prosper the people and hone potential resources according to their needs and expand networks by establishing cooperation between villages that produce high-quality products (Liu, 2019). Villages can become a centre of community needs fulfilment; if communities and stakeholders can work together to build villages, such as by improving the quality of agriculture, improving the quality of clean water, increasing the enterprise/business sector according to village potential, building prosperous cooperatives (koperasi sejahtera) (Zhihong, 2021).

The economic development in rural areas has been carried by the government through various programs. One of the programs that will build and support the economy of rural communities is village-owned enterprises (Bumdes) (Sofyani et al., 2019). Bumdes is an economic pillar in the village that functions as a social institution. It means that Bumdes is an institution that prioritizes the interests of the community through participation in the social services provision for rural communities (Menon & Melendez, 2017). The main objective of Bumdes is to improve the prosperity of rural communities. In terms of increasing the village income, it must be managed properly to achieve the prosperity of the village community. The village is indeed a small autonomous region, thus the original village income will not be able to build a village both in terms of infrastructure and administration. Therefore, good management is needed in terms of human resources and natural resources management so that original village income and village finances can reach the maximum degree to overcome the economic problems of rural communities (Sumantra et al., 2019).

In recent years, the tourism sector has been increasingly developed, one of which is Gubugklakah which has natural resources and tourism that can be said to be quite potent. However, it has not been managed optimally by the Village Government, especially the village-owned enterprise of Gubugklakah. Considering the importance of this issue, the need to evaluate the impact of bumdes in improving the economy of the Gubugklakah village is used as a case study. It is because there are several important considerations that according to researchers are academically appropriate for study, namely Gubugklakah village is one of the best tourist villages in Malang Regency, but in terms of institutional aspects, it is considered not maximum.

RESULTS

The results of the research in Gubugklakah village, Poncokusumo district, Malang Regency include (1) management and development of village-owned enterprises (bumdes), (2) inhibiting factors and efforts made by village-owned enterprises (bumdes), and (3) the impact of village-owned enterprises village (bumdes).

Management and Development of Village-Owned Enterprises (Bumdes)

The steps in the management and development of village-owned enterprises are (1) preparation of the bumdes, (2) programs of the bumdes, and (3) cooperation of the bumdes.

The research findings showed that in preparation for the management of the Amanah Gubugklakah bumdes, were fully implemented by the village community, namely from the village, by the village, and for the village. Therefore, careful preparation was required. Preparations in the bumdes were still taking baby steps even though it had been three years. At the Amanah Gubugklakah Bumdes, there had been the provision of subsidies, the building had begun to be built, and there was an independent drinking water management unit. The way the bumdes works is basically by accommodating the economic activities of the community in the form of an institution or enterprise that is managed professionally but still relied on the original potential of the village. This is following the statement (Ourednicek et al., 2019) that one of the development agendas of the Indonesian government is to build Indonesia from the periphery and rural areas that have low accessibility but still refer to the original potential of the village.

The results of research findings related to the program at the Amanah GubugKlakah bumdes were several programs that had been carried out including the Banking Unit, HIPPAM Unit, Agriculture Unit and Tourism Unit. The banking unit made it easy for people who wanted to do banking transactions such as opening a savings account, checking balances, withdrawing money, transferring between BNI 46 banks or even saving with the Laku Pandai program from BNI 46. This banking service could also help the GubugKlakah village community pay for motor vehicle instalments, pay electricity bills, buy phone credit and electricity tokens. The HIPPAM unit is an effort to provide clean water for the people of Gubugklakah Village. With this unit, the community would feel the benefits, such as an equitable water supply and the water rates charged by the community was quite cheap and affordable. Agricultural units run by bumdes form an agricultural unit with the hope of making a breakthrough, namely creating reliable farmers who produce quality agricultural or plantation products. The main task of this unit was to produce and develop agricultural and plantation products, as well as supervisors in the field. The agricultural unit also worked with several farmers to find solutions to any existing problems. In addition to producing agricultural and plantation products, this unit was also capable of producing liquid fertilizer and manure. In addition, the tourism unit in the Amanah Gubugklakah bumdes program provided transportation facilities for jeep rentals to Bromo-Tengger-Semeru Tourism and lodging in the form of homestays. Homestay is used as a place to stay for tourists who are on vacation for a long period. Maintenance was carried out periodically so that visitors can enjoy a comfortable rest time after a day of enjoying the beauty of Bromo-Tengger-Semeru tourism and Gubugklakah village. The emergence of businesses in rural areas. To achieve success, a structured bumdes program is needed. This is following the statement that public programs for rural communities are very important to improve the living standards of rural communities and provide sustainability (Xue et al., 2017). According to (Ramlan & Khairani, 2021), village development is related to human resources and natural resources that exist in the village can be managed and developed according to the needs of the community, the government can support it by improving facilities and infrastructure needed in the village activities. Therefore, all existing elements in the village government and the community will contribute to carrying out the activities and events.

From the results of the research findings, it is found that currently, the Amanah Gubugklakah bumdes had collaborated with BNI, namely in terms of payment of vehicle instalments, credit cards, other bank instalments, micro KUR (People's Business Loans) registration, and others. Partnership or cooperation is one of the important elements in the development of bumdes. Various forms of partnership are related to aspects of capital, strengthening of Human Resources (SDM), business partners, and so on. The capital aspect is very important, considering that bumdes capital is very limited. Thus, cooperation with banks is very important (Badillo et al., 2017).

Inhibiting Factors and Efforts Made by Village Owned Enterprises (Bumdes)

The inhibiting factors and efforts carried out by village-owned enterprises (bumdes) include (1) Inhibiting factors and efforts made by Bumdes, (2) community participation in bumdes activities, and (3) implications and impacts of bumdes activities on the community's economy.

The research findings found that the inhibiting factors were assets or capital from the village that had not existed yet, the lack of human resources and the lack of socialization of the bumdes program to the community. Also, it was constrained by covid-19 which required large funds from the centre. Thus, the effort that must be made is through the support of bumdes which must always be encouraged. In every Bumdes program, evaluations have to be made so that it can be even better. In addition, the Bumdes must also provide assistance or socialization to the local community evenly. Fundamentally, the promising success of local community enterprises depends on management, financial resources, human capital and technology. Case studies in several districts in Indonesia found that bumdes played a significant role at the micro-level. Bumdes offers a solution for economic independence so that it can reduce poverty levels (Khalil & Ibrahim, 2018).

The participation of the village community is also important to find out alternative types of businesses that will be run outside. Community participation is the main capital to achieve the targets of the Bumdes program. The existence of community participation will be able to compensate for the limited costs and capabilities of the village government also the management of bumdes in achieving program implementation. So far, the community had been quite involved in bumdes activities. The existence of bumdes aims to be an instrument in improving prosperity by involving the community in its management. This is following the statement (Badaruddin et al., 2020) that is to succeed, bumdes requires the active participation, trust and loyalty of its members as well as a relationship with the government.

The bumdes had a positive impact on improving the community's economy; the bumdes always tried to be able to improve the economy of the community in the village of Gubugklakah. Although the impact was not too profound, all the concerning parties always tried to evaluate and improve. Empowerment of bumdes through entrepreneurial economic groups in a participatory manner is to realize village economic independence through institutional development and empowerment of community economic enterprises management carried out with the involvement of the community, government and entrepreneur so that all village stakeholders play an optimal role in developing the village economy (Lisdiyono, 2020).

Impact of Village Owned Enterprises (Bumdes)

The impact of the bumdes policy on the economy and the prosperity of the community in GubugKlakah Village, Poncoku-sumo District, Malang Regency could be known by evaluating the policy after it was implemented, so far the bumdes had always tried to help improve the community economy. Before the existence of the Bumdes, the state of the villagers, most of whom were farmers, could no longer work during the dry season, due to the difficulty of obtaining water. This caused unemployment to increase, and income for farmers also decreased. After the village government studied and implemented the Bumdes policy, the community was ultimately affected by the positive impacts. According to (Dvoulety, 2017) the existence of bumdes can help explore and optimize the entrepreneurial potential in the village to reduce the unemployment rate and alleviate poverty in rural communities.

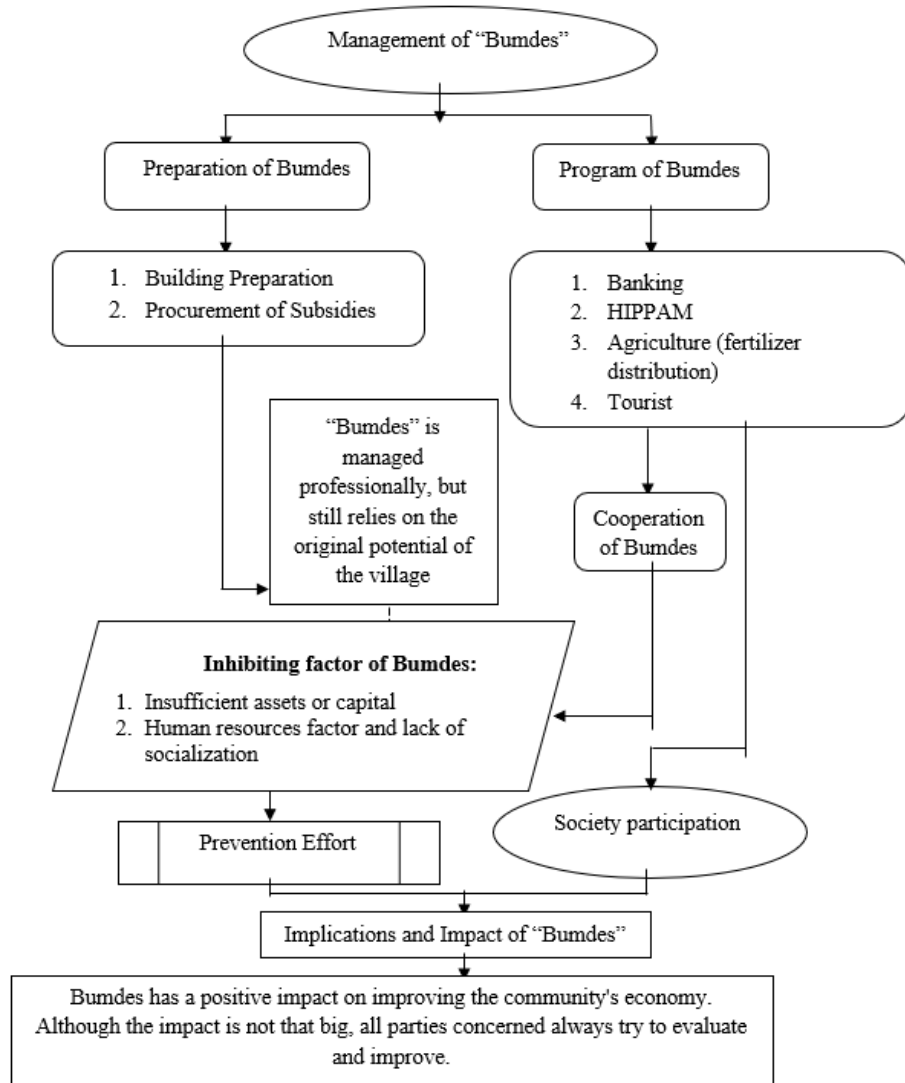


Figure 1. Model of Bumdes Impact on Community Economic Improvement in Gubugklakah Village, Poncokusumo District, Malang Regency

Preparation for the management of bumdes was fully implemented by the village community, namely from the village, by the village, and for the village. All elements of society contributed to the implementation of the Bumdes program. Currently, the Amanah bumdes in Gubugklakah village had collaborated with BNI, namely in terms of payment of vehicle instalments, credit cards, other bank instalments, and registration of micro KUR.

The inhibiting factors were derived from assets or capital from the village that had not to exist yet, the lack of human resources and the lack of socialization of the bumdes program to the community. Thus, the effort that must be made is through the support of the bumdes which must always be encouraged and the evaluation of each bumdes program that must be existed. The participation of the community was very helpful in achieving the goals of the bumdes. Empowerment of bumdes through entrepreneurial economic groups in a participatory manner is to realize village economic independence through institutional development and empowerment of community economic business management carried out with the involvement of the community, government and entrepreneur so that all village stakeholders play an optimal role in developing the village economy.

The impact of the policy can be known by evaluating the policy after it was implemented. The Bumdes policy had an impact on improving the community's economy.

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