

Effectiveness of BUMDes Management in Bale Village, Tanantovea District, Donggala Regency

Nurhannis¹, M. Kafrawi Al-Kafiah M. Samsu², Andi Maman Firmansyah³, Risma Ariyani⁴

Universitas Tadulako, Indonesia

E-mail: andinurhannis11@gmail.com¹, andimamann@gmail.com²,
m.kafrawi_alkafiah@yahoo.com³, rismaariyani0101@gmail.com⁴

Abstract

BUMDes was formed in order to succeed the village fund program established by the central government. With the establishment of BUMDes, the focus of the utilization of village funds is no longer on the development of village facilities and infrastructure but rather on community empowerment as an effort to improve the welfare of village communities. BUMDes is formed by the village government and on the initiative of the village community so that the formation of BUMDes is based on community needs and village potential. As a new institution in the village, the management of BUMDes is not only as an institution with the aim of gaining profit but as a non-profit institution that is tasked with empowering the village community. Community empowerment aims to increase the knowledge, understanding and skills of village communities in productive economic activities implemented by BUMDes.

Keywords Effectiveness, Functions, Management

INTRODUCTION

A village is a legal community unit that has the authority to regulate and manage the interests of the local community based on origins and customs recognized in the National Government system and located in the Regency Area. According to the Village Law (UU Number 6 of 2014) a village is a legal community unit that has territorial boundaries, which has the authority to regulate and manage the government, the interests of local communities based on community initiatives, rights, origins, which are recognized and respected in the State government system. Unity of the Republic of Indonesia (NKRI).

As representatives of the state, villages are obliged to carry out development, both physical development and human resource development, as an effort to improve the quality of life and life for the greatest welfare of village communities. One of the goals of village development is to advance the economy of village communities and reduce national development gaps. The village as a government that has direct contact with the community is the main focus in development. So, in this development, the government and society have an obligation to explore and manage the wealth of the Indonesian nation for the welfare of society.

BUMDes was formed in order to make the village funding program established by the central government a success. With the establishment of BUMDes, the focus of utilizing village funds is no longer on developing village facilities and infrastructure but more on community empowerment as an effort to improve the welfare of village communities. BUMDes were formed by the village government and on the initiative of the village community so that the formation of BUMDes was based on community needs and village potential. As a new institution in the village, BUMDes management is not only an institution with the aim of making a profit but as a non-profit institution whose task is to empower



village communities. Community empowerment aims to increase the knowledge, understanding and skills of village communities in productive economic activities carried out by BUMDes.

According to Law Number 32 of 2004, BUMDes are business entities whose capital is wholly or mostly owned by the village through assets, services and other businesses to improve the welfare of village communities. Village-Owned Enterprises (BUMDes) are village business institutions managed by the community and village government in an effort to strengthen the village economy and are formed based on village needs and potential. The aim of establishing a Village-Owned Enterprise (BUMDes) is to improve the village economy, increase the village's original income and improve the management of village potential in accordance with community needs to become the backbone of village economic growth and equality. The existence of Village-Owned Enterprises (BUMDes) will attract people so that the poverty rate will slowly decrease.

BUMDes is a pillar of economic activity in the village which functions as a social and commercial institution. The principles of efficiency and effectiveness must always be emphasized in running its business. The establishment of Village-Owned Enterprises (BUMDes) is based on Law Number 32 of 2004 concerning Regional Government Article 213 paragraph (1) states that "Villages can establish village-owned enterprises in accordance with the needs and potential of the village" and is also stated in Government Regulations (PP) Number 71 of 2005 concerning Villages. The establishment of this village-owned enterprise is accompanied by efforts to strengthen capacity and is supported by regional (Regency/City) policies which facilitate and protect village community businesses from the threat of competition from large investors, considering that Village-Owned Enterprises are new institutions operating in rural areas so that they still need a strong foundation to grow and develop.

Bale Village is one of the villages in Donggala Regency, Central Sulawesi Province which already has a Village-Owned Enterprise (BUMDes). The BUMDes in Bale Village was founded on September 5 2016 with the name BUMDESA SINTUVU ROSO. When this BUMDes was initially formed, it had 3 businesses, namely as follows:

1. Rental Services Business Unit
2. Business Unit Providing Agricultural Materials
3. Trading Business Unit

In 2018, all BUMDESA SINTUVU ROSO administrators resigned because they felt disappointed with the village government for not disbursing all the BUMDes budget and the lack of motivation from the BPD and the village government itself regarding BUMDes management. After changing village officials in 2020, BUMDES was re-formed with new management and a new name, namely "BUMDES SINAR SATYA". From the time it was formed until now, the BUMDes in Bale Village, Tanantovea District, Donggala Regency has not developed much because it is still under new management. BUMDes capital participation from when it was first established until now, namely in 2017 BUMDes had capital of IDR. 49,630,800, in 2018-2020 BUMDes capital participation was not disbursed because the BUMDes management was not there, in 2021 BUMDes capital participation

was IDR. 10,000,000 and in 2022 BUMDes capital participation will be IDR. 50,000,000. Judging from this capital participation, this BUMDES should be able to add other types of business according to the capabilities of the people of Bale Village.

BUMDes in Bale Village in running their business units still have several problems in their management. This can be seen from several problems that occurred while this Village-Owned Enterprise was established, namely the management of the BUMDes work program which was not optimal, limited human resources, namely BUMDes only had a chairman as administrator because the BUMDes secretary and treasurer resigned, the type of business managed there is still one unit, namely the rental business unit, while the initial plan for Bale Village BUMDes was to have 3 types of businesses, there was a lack of communication and outreach about Village-Owned Enterprises to the community and a lack of village government involvement in supporting the implementation of BUMDes.

LITERATURE REVIEW

Effectiveness Concept

The word effective comes from the English "effective" which means success or something that is done successfully. The popular scientific dictionary defines effectiveness as accuracy of use, useful results or supporting goals. Effectiveness means influence, effect, consequence or result. Meanwhile, effectiveness is defined as activeness, usefulness and the existence of suitability in an activity between a person and the goals to be achieved.

Effectiveness is the relationship between output and objectives, or it can also be said to be a measure of the level of output, policies and procedures of the organization. Effectiveness is also related to the degree of success of an operation in the public sector so that an activity is said to be effective if the activity has a major influence on the ability to provide community services which is a predetermined target (Pekei, 2016).

Effectiveness is a measure of the success or failure of an organization in achieving its goals. If an organization achieves its goals, then the organization is running effectively. Effectiveness indicators describe the range of consequences and impacts (outcomes) of program outputs in achieving program goals. The greater the contribution of the output produced to achieving the specified goals or targets, the more effective the work process of an organizational unit will be (Mardiasmo, 2017).

Aspects of effectiveness based on the opinion of Muasaroh (2010), effectiveness can be explained that the effectiveness of a program can be seen from aspects including: Aspects of tasks or functions, Aspects of plans or programs, Aspects of provisions and regulations, Aspects of goals or ideal conditions.

Sumaryadi (2005: 105) states that effectiveness is the level of achievement of organizational goals or targets in accordance with those set. Furthermore, it is also stated that effectiveness in organizational activities is formulated as the level of target realization which shows how the target has been achieved. Effectiveness is how well the work is done, and the extent to which someone produces output as expected. This can be interpreted as if a job is done well according to what was planned then the job is said to be effective without



regard to time, energy and so on.

From the definitions above, it can be concluded that effectiveness is a measure that states how far the target (quality, quantity, and time) has been achieved from the previously determined target.

Measures of Effectiveness

Effectiveness is a measurement in the sense of achieving predetermined goals or objectives. Measuring organizational effectiveness is not a very simple thing, because effectiveness can be studied from several points of view and depends on who assesses and interprets it. The level of effectiveness can also be measured by comparing plans. which have been determined with real results that have been realized.

According to Makmur, activities carried out effectively are activities where the implementation process uses accuracy between the desired expectations and the results achieved. Meanwhile, ineffective activities are activities that experience a gap between expectations and the results to be achieved. Effectiveness is the accuracy of expectations, implementation and results achieved.

Duncan in (Steers, 1885:53) said the measure of effectiveness is as follows:

1. Achievement of objectives

Achievement is the overall effort to achieve goals and must be viewed as a process. Therefore, in order to ensure the achievement of the final goal, phasing is needed, both in the sense of phasing in the achievement of its parts and phasing in the sense of periodization. Achieving goals consists of several factors, namely: time period and targets which are concrete targets.

2. Integration

Integration is a measurement of the level of an organization's ability to carry out socialization, develop consensus and communicate with various other organizations. Integration concerns the socialization process.

3. Adaptation

Adaptation is the ability of an organization to adapt to its environment. For this reason, benchmarks for the procurement and filing process are used.

Gibson in Tangkilisan (2005:65) says differently that organizational effectiveness can also be measured through:

1. Clarity of objectives to be achieved.
2. Clarity of Goal Achievement Strategy
3. Solid Analysis and Policy Formulation Process
4. Careful planning
5. Preparing the Right Program
6. Availability of Facilities and Infrastructure
7. Educational Supervision and Control System

Organizational Effectiveness

An organization is a social unit that is consciously coordinated, with relatively clear

boundaries, which functions in a relatively orderly manner in order to achieve one or a series of goals (Roobins in Keban 2008: 127).

Organizational effectiveness is a concept where an organization aims to produce results. Organizational effectiveness can be done by paying attention to customer satisfaction, achieving the organization's vision, fulfilling aspirations, generating profits for the organization, developing human resources and inspiration, as well as providing a positive impact on society outside the organization. (journal 1431)

Handoko (2013) organizational effectiveness is if an organization can realize its goals by involving the resources it has. One of the important factors for the success of an organization is paying attention to the management of members, assigning tasks, roles and relationships within an organization. Based on this understanding, organizational effectiveness is considered as the success of an organization in achieving its goals by paying attention to the stability, survival of the organization, and management of organizational resources that are aligned with the strategy for establishing an organizational structure.

BUMDes Management

BUMDes as a new institution in the village, of course requires structured governance that is able to compete and is able to help the community in improving the village economy. It is important to explain the principles of BUMdes management so that they are understood and perceived in the same way by the village government, members (capital participants), BPD, district government and the community. There are 6 principles in managing BUMDes, namely:

- 1) Cooperative, all components involved in BUMDes must be able to carry out good cooperation in the development and survival of their business.
- 2) Participatory, all components involved in BUMDes must be willing to volunteer or be asked to provide support and contributions that can encourage the progress of BUMDes businesses.
- 3) Emancipatory, all components involved in BUMDes must be treated equally regardless of class, ethnicity and religion.
- 4) Transparent activities that affect the interests of the general public must be known by all levels of society easily and openly.
- 5) Accountable, all activities must be accountable technically and administratively.
- 6) Sustainable, business activities must be able to be developed and preserved by the community within the BUMDes forum.

The following are 4 stages of BUMDes management that must be implemented by BUMDes administrators:

Planning. it is very necessary in an organization. With planning, an organization can run well. In planning, of course, there are goals set by BUMDes as the initial basis for achieving the goals to be achieved, namely improving the village economy, increasing Village Original Income (PADes) and even providing public services to the community without expecting more in return. In other words, the business program that was formed



really prioritizes the village and its community.

Organizing. This is a very important thing to do. With clear organization, all duties and responsibilities can be known and arranged clearly, so that the sustainability of BUMDes can run well. The organization that is formed must be outside the organizational structure of the village government, so that BUMDes administrators can focus on managing BUMDes.

At the implementation or mobilization stage, BUMDes needs guidance, advice and orders. At every work meeting, the shortcomings of BUMDes management should be discussed so that those who do not know enough or have little experience regarding BUMDes can be given guidance so that any deficiencies or obstacles in BUMDes can be corrected with constructive suggestions. BUMDes administrators must be encouraged with constructive motivation so that administrators can work more actively and harder so that BUMDes goals can be achieved. As far as possible between the chairman and members of BUMDes, good and solid cooperation can be established, so that harmony and a sense of family are created in the management of BUMDes.

At the evaluation stage, to find out what work has been carried out, it can be assessed and corrected through carrying out the work in accordance with the original plan, so that when there are discrepancies with what was planned at the beginning, this can be reviewed, and it can be found out what factors caused the plan. cannot be executed. In the future, these things can be improved by BUMDes administrators. Thus, these stages need to be carried out for the sustainability of BUMDes so that it develops and can achieve its goal as an organization that can revive the village economy and improve the welfare of the community.

Types of BUMDes Businesses

According to Ministerial Regulation Number 4 of 2015 concerning the establishment, administration and management and dissolution of Village-Owned Enterprises, the classification of BUMDes businesses consists of 6 types, namely:

1. *Serving*, namely providing services to citizens so that citizens receive great social benefits. This type of business includes drinking water management, waste processing and so on.
2. *Renting*, namely running a rental business to make it easier for residents to get the various equipment and supplies they need, for example building rentals, party equipment, tractor rentals and so on.
3. *Brokering*, namely BUMDes becomes an intermediary between commodities produced by residents in the wider market so that BUMDes shortens the distribution route for commodities to the market.
4. *Trading*, namely BUMDes carries out the business of selling goods or services needed by the community which until now cannot be done individually by residents. For example (1) BUMDes established a petrol station for boats in fishing villages, (2) BUMDes established an ice factory so that fishermen can get ice more cheaply to keep their catch fresh when they go to sea.
5. *Financial Business*, namely BUMDes is intended to meet the capital needs of micro-scale businesses run by economic business actors in Dsa, with lower interest rates compared to

loan sharks or conventional banks. For example, Village Banks, Microfinance Institutions, Village Credit and others.

6. *Holding*, BumDes builds an integrated business system that involves many businesses in the village. For example, BUMDes manages village tourism and opens widest access to residents to be able to take on various roles needed in tourism business activities.

METHOD

The basic type of research used in this research is descriptive research. The descriptive method is a method for researching the status of a group of people, an object, a set of conditions, a system of thought, or a class of events in the present. The aim of this descriptive research is to create systematic, factual and accurate descriptions, images or paintings regarding the properties, facts and relationships between the phenomena being investigated.

The basis of the research used is descriptive qualitative research. Qualitative research is research that is descriptive in nature and tends to use analysis with an inductive approach. Meanwhile, Bog and Taylor define qualitative research methodology as a research procedure that produces descriptive data in the form of words or words from people and their behavior. observed (Moelong, 2013).

RESULTS AND DISCUSSION

Effectiveness according to Kurniawan (2005: 109) is the ability to carry out tasks, functions (operations, program activities or missions) of an organization or the like without any pressure or tension between implementations. Sedarmayanti (2009:59) defines the concept of effectiveness as a measure that provides an idea of how far the target can be achieved.

According to M Steers in Edi Sutrisno (2007:24) suggests that the best way to research effectiveness is to pay attention simultaneously to three interrelated concepts: (1) optimization of goals (2) system perspective (3) pressure on aspects of human behavior in organizational structure. This kind of method is only called a plan, for example only in terms of goals.

Richard M. Steers in Tangkilisan (2005) stated that there are 3 indicators of effectiveness. He said the indicators of effectiveness are as follows:

1. Achievement of objectives

Achieving goals is the overall effort to achieve goals that must be viewed as a process. Therefore, in order to ensure the achievement of the final goal, phasing is needed, both in the sense of phasing in the achievement of its parts and phasing in the sense of periodization. Achievement of goals consists of 2 sub-indicators, namely: time period and targets which are targets.

2. Integration

Integration is a measurement of the level of an organization's ability to carry out socialization or communication and develop consensus. Integration concerns the



socialization process and community participation.

3. Adaptation

Adaptation is the ability of an organization to adapt to its environment. Relating to the suitability of program implementation to conditions in the field and human resources.

The function of village institutions is to be able to facilitate the process of collaboration between all components. Collaboration is very important for the process of implementing a program in the village. The role of institutions in villages is very important to help achieve village programs and also develop village potential. One of the institutions established to help the village economy is a village-owned enterprise or BUMDesa. BUMDesa is a village institution managed by the community and village government in an effort to strengthen the village economy and was formed based on the needs and potential of the village, as an effort to improve community welfare. The planning and formation of BUMDes is based on the efforts of the village community and the intervention of the village government. Village BUM funding comes from the Village APB according to Government Regulation (PP) No. 43 of 2014 article 135.

Achievement of objectives

Achieving goals is the overall effort to achieve goals that must be viewed as a process. Therefore, in order to ensure the achievement of the final goal, phasing is needed, both in the sense of phasing in the achievement of its parts and phasing in the sense of periodization. Achievement of goals consists of 2 sub-indicators, namely: time period and targets which are targets.

BUMDes is already running, businesses are renting tents, chairs, making gabions and businesses in the form of cooperatives. This BUMDesa itself does not directly touch the communities in Bale village as evidenced by the fact that several business units that are run do not look at the condition and potential of the village where the majority of the people work as farmers even though one of the goals of establishing BUMDesa is to increase the village's original income and has also not been able to empower the community. in the process of forming Village business units.

Empowerment society cannot be separated from efforts to alleviate poverty, both in rural and urban areas. The slow pace of poverty alleviation in a region is caused by many factors. The definition of village community empowerment according to Law No. 6 of 2014 concerning villages is an effort to develop community independence and welfare by increasing knowledge, attitudes, skills, behavior, abilities, awareness, as well as utilizing resources through the establishment of appropriate policies, programs, activities and assistance. with the essence of the problem and priority needs of the village community.

Integration

Integration is a measurement of the level of an organization's ability to carry out socialization or communication and develop consensus. Integration concerns the socialization process and community participation.

Social integration (informant) is the process of adjusting different elements in society

so that they become one unit. In this process, community participation is an important part, including the socialization process in every program carried out by the village, one of which is in the preparation of BUMDesa business units in Bale village.

At the stage of forming village business units, socialization was carried out among some communities with representatives in each hamlet in Bale village, however, this socialization was not optimal because the socialization was not comprehensive and most of the community did not know about the existence of BUMDes, which had been running for several years.

Adaptation

Organizations always involve several people, and they interact with each other intensively. These interactions can be arranged or described in a structure to help achieve common goals. However, each person in the organization has individual goals. By participating in the organization, he hopes that the organization will help him achieve his goals in addition to the group's goals. The aim of establishing BUMDesa is to improve the village economy and improve the management of village potential in accordance with community needs.

Village-Owned Enterprises, hereinafter referred to as BUMDesa, were established based on the provisions of Law no. 6 of 2014 concerning villages, PP no. 06 of 2014 concerning village funds sourced from the APBN and Permendesa PD TT NO. 4 of 2015 concerning the establishment, supervision, management and dissolution of BUMDesa, which is a business entity whose capital is wholly or partly owned by the village through direct participation originating from separated village assets in order to manage assets, services and other businesses for the greatest welfare of the community. village.

To be able to achieve the above goals of BUMDesa, it must, among other things, be done by meeting the needs (Productive and Consumptive) of the community through goods and services managed by the community and the village government. This institution is also required to be able to provide services to non-members (parties outside the village) by setting prices and services according to market standards. This means that there is an institutional mechanism that is mutually agreed upon, so that it does not cause distortion of the rural economy caused by BUMDesa businesses.

Adaptation is the ability of an organization to adapt to its environment. Relating to the suitability of program implementation to conditions in the field and human resources. The commodities in Bale village are candlenuts and corn, apart from that, several types of businesses are run by the people of Bale village. With the existence of BUMDesa, it is hoped that the community will be able to increase village potential and empower the community with the existence of village business units that are able to accommodate all the needs of the community in Bale village, however, the village government's lack of attention to the establishment of these business units is not able to increase the village's business and potential. the.

Utilization of village potentials to carry out in accordance with the potential that exists



in the village, but in reality in Bale village the business units being run do not fulfill the existing village potential, the business units cannot yet be fully experienced by the people of Bale village, as one of the For business entities owned by villages, BUMDes must be in accordance with the initial objectives of establishing BUMDes contained in the AD/ART. The BUMDes business units that are run must be improved by looking at the existing conditions and potential of the village. The allocation of funds for running a business must be clear, intended for the welfare of the community.

CLOSING

Conclusion

In the aspect of achieving the goals of BUMDesa itself, it does not touch directly on the communities in Bale village, as evidenced by the fact that several business units that are run do not look at the condition and potential of the village, where the majority of the people work as farmers, even though one of the goals of establishing BUMDesa is to increase the village's original income and They have also not been able to empower the community in the process of forming village business units.

At the stage of forming village business units, socialization was carried out among some communities with representatives in each hamlet in Bale village, however, this socialization was not optimal because the socialization was not comprehensive and most of the community did not know about the existence of BUMDes, which had been running for several years.

Utilization of village potentials to implement in accordance with the potential that exists in the village, but in reality in Bale village the business units being run do not fulfill the existing village potential, the business units cannot yet be fully experienced by the people of Bale village, as one of the For business entities owned by villages, BUMDes must be in accordance with the initial objectives of establishing BUMDes contained in the AD/ART. The BUMDes business units that are run must be improved by looking at the existing conditions and potential of the village.

Suggestion

The business units run must be in accordance with the village potential in Bale village. The allocation of funds for running a business must be clear, intended for community welfare, by looking at the existing village potential.

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