

Village-Owned Enterprises Management Model in Improving Village Original Income: Best Practice from Pujon Kidul, Indonesia

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ABSTRACT. The autonomy system in the village should be able to optimize the potential of the village for the welfare of the community. The existence of Village-Owned Enterprises (called BUMDes) aims to move the wheels of the economy and improve people's lives. Pujon Kidul Tourism Village is one of the successful villages in the management and development of BUMDes. This study analyzes the BUMDes management model in increasing Village Original Income. This study uses a phenomenological approach. Data collection techniques through observation, interviews and documentation. Data analysis was carried out through several stages, including: 1) data reduction, 2) data presentation, 3) conclusion drawing and verification. Based on the results of the analysis, it is known that the Pujon Kidul BUMDes is one of the successful BUMDes in management and development. Through various business units that are mutually sustainable with each other and utilize existing Human Resources to take part in the management of BUMDes, making it the largest contributor to the Original Income of Pujon Kidul Village. There are five business units that are run through BUMDes, starting from the Drinking Water User Population Association (HIPPAM), Integrated Waste Management Sites (TPST), Tourism (Sawah Cafe), Savings and Loans or Banking Units, and Voucher Units. These units succeeded in absorbing a workforce of approximately 650 people which resulted in a decrease in unemployment and juvenile delinquency, as well as an increase in Village Original Income (PADes) to accelerate village development. The success of Pujon Kidul BUMDes is motivated by good management. Every unit, from HIPPAM to voucher units, can be managed by the surrounding community, so it cannot be denied that the community is the main actor involved in it. Management carried out by the community can reap maximum results so as to increase Village Original Income. The income is used to improve the welfare of the community through equitable development and other aspects. The increase in PAdes has a positive impact on equity and the welfare of the surrounding community.

KEY WORDS: village potential, tourism village, BUMDes, village original income

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Introduction

At this time, the village has the authority to regulate the resources and direction of development in accordance with Government Regulation No. 47 of 2015. The enforcement of the regulation opens a gap for village communities towards change. Villages are entering an era of independence where they have their respective autonomy and authority in running their government³. The village autonomy system is a major milestone for community development which should be a force to improve the welfare of rural communities⁴.

Economic growth will only be achieved if the factors of natural resources, human resources, capital formation and technological development can go hand in hand, especially to build a good economic climate in the rural sector. The potential of the village is expected to contribute to the welfare of the local community, so that the urbanization phenomenon will not occur with the aim of improving the standard of living⁵. If the rural environment is able to build a strong economy, it can support aspects of the needs of the rural community itself. This is what encourages the creation of an effective policy towards managing the potential of the village. Village governance policies regarding Village-Owned Enterprises are considered as policies that bring new hope in an effort to improve the welfare of rural communities⁶. The policy meant here is regarding budget allocations to villages to improve the welfare of rural communities⁷.

Village-Owned Enterprises (BUMDes) are village business institutions managed by the community and village government in an effort to strengthen the economy and are formed based on the needs and potential of the village⁸.

³ Roy Marthen Moonti, "Establishment Of Village Regulations In Realize Autonomy Village," *Substantive Justice International Journal of Law* 1, no. 2 (2018): 129; A. J. Silubun et al., "Village Authority and Position in Realizing Village Autonomy," *IOP Conference Series: Earth and Environmental Science* 473, no. 1 (2020).

⁴ Rifqi Ridlo Phahlevy, "The Concept of Village Autonomy in Indonesia (Indonesian Constitution Perspective)," *Rechtsidee* 3, no. 1 (2016): 27; Suryo Pratolo, Nandhika Ristyawardani Surya Atmaja, and Hafiez Sofyani, "What Determines Village Autonomy in Indonesia? A Case of Villages in Sleman Regency," *Jurnal Dinamika Akuntansi dan Bisnis* 7, no. 1 (2020): 15–32.

⁵ Md Abdul Kuddus, Elizabeth Tynan, and Emma McBryde, "Urbanization: A Problem for the Rich and the Poor?," *Public Health Reviews* 41, no. 1 (2020): 1–4.

⁶ Dewi Sendhikasari D. Debora Sanur L. Siti Chaerani, *Tata Kelola Pembangunan Desa*, 2018, www.intranspublishing.com; Suparji, "PEDOMAN TATA KELOLA BUMDES" (2019): 1–96.

⁷ Bernardus Seran Kehik and Medan Yonathan Mael, "Analisis Pengelolaan Alokasi Dana Desa Dalam Peningkatan Perekonomian Masyarakat Petani Di Desa Usapinonot," *Agrimor* 2, no. 04 (2017): 59–62.

⁸ Aprina Nugrahesthy Sulistyia Hapsari, Intiyas Utami, and Yohanes Yakobus Werang Kean, "Revealing the Potential of Fraud in the Financial Management of Village-Owned Enterprise," *Jurnal Akuntansi & Auditing Indonesia* 25, no. 1 (2021): 98–105; Gde Deny Larasdiputra et al., "The Role of Village Owned Enterprises in Increasing the Rural Economy," *International Journal of Advances in Social and Economics* 1, no. 2 (2019): 60; Komang Adi Kurniawan Saputra et al., "Management of Village Original Income in The Perspective of Rural Economic Development," *International Journal of Advances in Social and Economics* 1, no. 2 (2019): 52; Agung Minto Wahyu, "The Analysis of Putukrejo Village Government Readiness in Forming Bumdes As a Development Efforts of Rural Communities Based on Creative Economy," *International Journal of Economics, Business and Accounting Research (IJEBAR)* 3, no. 03 (2019): 270–282; Isis Ikhwanisyah et al., "An Empowerment of a Village Economy: (BUMDES) in Indonesia," *International Journal of Innovation, Creativity and Change* 12, no. 8 (2020): 192–207.

The existence of Village-Owned Enterprises is also expected to provide a new spirit in moving the wheels of the economy and improving the living standards of rural communities so that the gap rate can be reduced⁹. Village-Owned Enterprises as a major milestone in efforts to improve the village economy based on their needs and potential. BUMDes funding sources are obtained from village funds and from established businesses¹⁰. If BUMDes are managed properly, it will increase Village Original Income (PADes) which will have a positive impact on village development and welfare¹¹. However, to realize this, efforts need to be made so that the management of BUMDes runs well and effectively.

Pujon Kidul Village is one of the villages in Malang Regency which has a BUMDes unit. The BUMDes raises the potential of nature and culture with a tour package. The tourism model that combines community activities is an important point in the development of BUMDes. There are five Bumdes business units managed, namely the Drinking Water User Population Association (HIPPAM), Integrated Waste Management Sites (TPST), Tourism (Caffi Sawah), Savings and Loans or Banking Unit, and Voucher Unit. These business units have been managed very well and always involve the community both in planning up to the management stage.

Carrying the concept of empowerment, all forms of the management process of each business unit are delegated to the community and the mentoring process is handed over to a team of coaches from the Malang Regency Government. For example, in managing the Cafe Sawah tourism unit, Pujon Kidul BUMDes is facilitated by the Malang Regency Tourism Office in terms of promoting tourism objects. In managing the Integrated Waste Management Place (TPST) business unit, BUMDes is facilitated by the Malang Regency Environmental Service in order to provide an understanding of Reduce, Reuse, and Recycle-based waste management. In addition, related to the Banking business unit, BUMDes cooperates with PT. BNI Tbk. The Banking business unit is intended to make people aware of the importance of saving rather than borrowing. The banking business unit also functions to distribute the Family Hope Program Assistance from the Ministry of Social Affairs for Poor Households in Pujon Kidul Village.

⁹ Policy Brief, "Utilization of Village-Owned Enterprises in Economic Recovery After The Covid-19 Outbreak," no. May (2020); Varida Henemia Pakpahan, "The Role of Village-Owned Enterprises (BUMDes) in Optimizing Village Funds in South Lampung District," *Bappenas Working Papers* 1, no. 2 (2018): 171–184; Rahima Br Purba et al., "Increasing Income For Communities In Lubuk Kertang Village Through Village-Based Business Enterprises (BUMDES) Based On Mangrove Ecotourism," *International Journal of Economics, Commerce and Management* VI, no. 11 (2018): 629–636; Sri Widyastuti and Sri Ambarwati, "Increasing the Rural Economy of Village Owned Enterprises BUMDes Antajaya Bogor" 132, no. AICMaR 2019 (2020): 224–228.

¹⁰ Hapsari, Utami, and Kean, "Revealing the Potential of Fraud in the Financial Management of Village-Owned Enterprise."

¹¹ Wahyuddin Zuhri & Juniat, "The Implementation of BUMDes Management in Sinjai Regency," *Jurnal Ad'ministrare* 7, no. 2 (2020): 285–290, <https://ojs.unm.ac.id/administrare/article/view/16208/9474>.

Pujon Kidul Village has succeeded in developing and managing BUMDes. Of the five business units developed, the tourism business unit through the establishment of Sawah Cafe is the most successful business unit in gaining economic benefits, as well as realizing good social conditions through the creation of job opportunities and business opportunities. The tourism unit is considered successful because it has attracted many tourist visits both from Malang and from outside the Malang area. Moreover, the Caf  Sawah tourism unit has become one of the tourism icons of Malang Regency. Therefore, it can be said that the management of Pujon Kidul BUMDes is quite good, so it is very feasible to be used as a development model.

Related Research

1.1. Village-Owned Enterprises (BUMDes)

BUMDes is a village business institution whose management is managed by the community and village officials in an effort to strengthen the economy of a village and is formed based on the needs and potential of the village ¹². BUMDes as a business capital economic institution built on community initiatives and adhering to the principle of independence ¹³. The implementation of BUMDES provides material benefits so that it can increase village income, provide welfare for the community's economy, education and public health ¹⁴. In the management of BUMDes there is a separation between services, asset management, and business development, the results of which are used to improve the welfare of rural communities ¹⁵. According to ¹⁶ the main characteristics of BUMDes that distinguish

¹² Badaruddin Badaruddin et al., "Village Community Empowerment through Village Owned Enterprise Based on Social Capital in North Sumatera," *Asia Pacific Journal of Social Work and Development* 00, no. 00 (2020): 1–13, <https://doi.org/10.1080/02185385.2020.1765855>; Andrian Dolfriandra Huruta, Eranus Yoga Kundhani, and Chistopher Ramaoli Manurung, "The Development of Village-Owned Enterprises: Lessons Learned from Ponggok Village," *Masyarakat, Kebudayaan dan Politik* 33, no. 1 (2020): 77; Tri Nugroho, "Performance Analysis of Village-Owned Enterprises Based on Financial and Management Aspects in Blitar Regency, East Java," *Habitat* 31, no. 2 (2020): 64–77; Kiky Srirejeki, "Empowering the Role of Village Owned Enterprises (BUMDes) for Rural Development: Case of Indonesia," *Journal of Accounting, Management, and Economics* 20, no. 1 (2018): 5–10.

¹³ Blasius Manggu and Sabinus Beni, "The Impact Of Village-Owned Enterprises (Bumdes) In Strengthening Local Economy In The Border Village Of Sebente, Bengkayang Regency," *Primanomics : Jurnal Ekonomi & Bisnis* 18, no. 3 (2020): 24; Mayarni et al., "Community Empowerment: The Need for a Bumdes Strategy in Improving Welfare," *Konfrontasi: Jurnal Kultural, Ekonomi dan Perubahan Sosial* 7, no. 4 (2020): 375–382.

¹⁴ Ni Luh Putu Sri Purnama Pradnyani, "Peranan Badan Usaha Milik Desa (Bumdes) Dalam Meningkatkan Kesejahteraan Masyarakat Di Desa Tibubeneng Kuta Utara," *Jurnal Riset Akuntansi* 9, no. 2 (2019): 39–47, <https://e-journal.unmas.ac.id/index.php/juara/article/view/602/570>.

¹⁵ Muryanti Muryanti, "Towards Social Entrepreneurship in the Village through Village-Owned Enterprises," *Society* 8, no. 1 (2020): 163–174; Sri Winarsi et al., "The Law Principles for Village-Owned Enterprises (BUMDes) Management in Indonesia to Improve the Village's Economy," *International Journal of Sociological Jurisprudence* 1, no. 2 (2018): 130–136.

¹⁶ Muh. Rudi Nugroho, "PENERAPAN POLA SINERGITAS ANTARA BUMDES DAN UMKM DALAM MENGGERAKKAN POTENSI DESA DI KECAMATAN SAPTOSARI," *SEMBADHA* (2018): 28–37.

other commercial institutions are (1) Village-owned enterprises and their management is carried out together; (2) 51% of working capital comes from village funds and 49% comes from community funds; (3) Operations are carried out based on a local culture-based business philosophy; (4) The potential of the village and the results of available market information become the basis for running the business field; (5) The profits obtained by BUMDes are used for efforts to improve the welfare of members and the community based on the regulations that have been prepared; (6) Facilities supported by the Provincial, Regency, and Village Governments; and (7) The operational implementation of BUMDes is closely monitored by the Village Government, BPD and members (Agunggunanto et al., 2016). The establishment and management of Village Owned Enterprises (BUMDes) is an embodiment of the productive economic management of the village which is carried out in a cooperative, participatory, emancipatory, transparent, accountable, and sustainable manner. Therefore, serious efforts are needed to make the management of these business entities run effectively, efficiently, professionally and independently to achieve the goals of BUMDes carried out by meeting the needs (productive and consumptive) of the community through the distribution of goods and services managed by the community and the village government. Fulfillment of this need is sought not to burden the community, considering that BUMDes will be the most dominant village business in driving the village economy. This institution is also required to be able to provide services to non-members (outside the village) by placing prices and services that apply market standards. This means that there is an institutional mechanism/rules that are mutually agreed upon, so as not to cause economic distortions in rural areas due to the businesses run by BUMDes. The management principles carried out by BUMDES include:

1. Cooperative, all components involved in BUMDES must be able to do good cooperation for the development and survival of its business.
2. Participative, 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.
3. Emancipative, 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 business activities must be accountable technically and administratively.
6. Sustainable, business activities must be developed and preserved by the community in the BUMDes container

1.2. Tourism Village

The development of rural tourism has changed the interests of tourists who are more interested in the natural tourism and culture of rural areas, driven by the saturation of urban life¹⁷. Tourism village is a new destination developed by the government in an effort to equalize development and improve community welfare¹⁸. The tourist village is a combined form of attractions, accommodation, and other facilities that are presented through the structure of community life that blends with traditions and customs. According to¹⁹ resources such as monuments, museums, visitor attractions, art galleries, cinemas, concert venues, theaters are manifestations of tourist villages. Usually, tourist villages are in the form of rural areas (rural areas) which have characteristics that are integrated with each other and deserve to be used as tourist destinations²⁰. The requirements for a tourist village must be unique, authentic, distinctive, located close to extraordinary natural areas, related to cultural groups or communities that essentially attract visitors, have the opportunity to develop both in terms of basic infrastructure and others²¹. Have tourism potential, arts, village locations that are included in the scope of tourism development areas or at least are in the corridors and paths of tour packages that have been sold, preferably there are managers, coaches, and tourism actors, have accessibility and infrastructure to support the Tourism Village program, guarantee security, order and cleanliness. Tourist villages are one of the right choices in forming rural tourism areas that can be used as tourist attractions²². Tourist arrivals cause an increase in household income for the surrounding community²³. The existence of a tourist village for tourists has a different view of the motivation to develop

¹⁷ Dediek Tri Kurniawan et al., "Designing Smart Village Application for Ecotourism Marketplace with a Human Centered Approach," *4th International Conference on Vocational Education and Training, ICOVET 2020* (2020): 298–303.

¹⁸ Dino Leonandri and Maskarto Lucky Nara Rosmadi, "The Role of Tourism Village to Increase Local Community Income," *Budapest International Research and Critics Institute (BIRCI-Journal) : Humanities and Social Sciences* 1, no. 4 (2018): 188–193; Ida Bagus Raka Suardana et al., "Model of Institutional Strengthening and Empowerment Community-Based Agro-Tourism Village Development," *International Journal of Innovation, Creativity and Change* 11, no. 4 (2020): 112–125.

¹⁹ Van Anh T. Truong, "Cultural Tourism and City Branding in the Connected Age: The Case of Cities in Vietnam," *Jurnal Pengurusan* 58 (2020): 3–14.

²⁰ Hisnuddin Lubis, Nelly Rohmatillah, and Dania Rahmatina, "Strategy of Tourism Village Development Based on Local Wisdom," *Jurnal Ilmu Sosial dan Humaniora* 9, no. 2 (2020): 320; Eman Sukmana, Himawan Brahmantyo, and Adhi Trirachmadi Mumin, "The Influence of Community Participation, The Role of Village Government, Number of Tourist Visits, and Village Income on Community Welfare in Cibuntu and Citundun Tourism Villages," *TRJ Tourism Research Journal* 2, no. 2 (2018): 61.

²¹ Erika Revida, *Inovasi Desa Wisata : Potensi, Strategi, Dan Dampak Kunjungan Wisata*, ed. Abdul Karim (Yayasan Kita Menulis, 2021).

²² Angger Hidayat, Myrza Rahmanita, and Henky Hermantoro, "Community Empowerment in Plempoh Cultural Tourism Village," *TRJ Tourism Research Journal* 1, no. 1 (2017): 98.

²³ Komathi Wasudawan and Rossazana Ab-Rahim, "The Impact of the Rural Environment and Environmental Conservation on Poverty Alleviation: The Moderating Effect of Tourism Resources," *Jurnal Pengurusan* 56, no. 2019 (2019): 155–167.

a tourist village, the image of a tourist village, the impact on tourists, and culture with the presence of a tourist village with cultural integration as the main factor affecting tourism attractiveness ²⁴.

1.3. Village Original Income

Village Original Income is obtained from village business results, village wealth, management results, results of self-help and participation, mutual cooperation results and others ²⁵.

a. Village Business Results are the results of businesses owned by the Village, including the results of BUMDes management, the profit share from capital participation in State-Owned Enterprises (BUMN) or Regional-Owned Enterprises (BUMD) and private business entities in collaboration with the Village government.

b. Village Wealth Results, each village has its own wealth according to its potential, from this potential it generates income which is part of the village's original income.

c. Results of Self-Help and Participation, in carrying out development, the community can participate to get involved in implementing development. This participation can be in the form of energy or in the form of matter. In other words, self-help and participation are building with their own strengths that involve community participation in the form of money and goods valued in money.

d. Gotong Royong results. Gotong royong is building with one's own strength that involves community participation in the form of services that are worth money. The gotong royong culture in this village is still strong, judging from the material, the number is not small. For example, in building a bridge, the community will voluntarily work together to help with the construction, even providing food for the workers.

e. Other valid Village Original Income (PADes), for this post, includes receipt of Village compensation for an affair, current account services or bank interest, discounted prices or other forms as a result of a transaction, acceptance of voluntary contributions from the community, Village levies charged which have been discussed with the community for a specific purpose. certain business.

²⁴ Arman Akhoondnejad, "Tourist Loyalty to a Local Culture Event: The Case of Turkmen Handicrafts Festival," *Journal of Tourism Management* 52 (2016): 468–477; Weisheng Chiu, Shiheng Zeng, and Philip Shao Tung Cheng, "The Influence of Destination Image and Tourist Satisfaction on Tourist Loyalty: A Case Study of Chinese Tourists in Korea," *International Journal of Culture, Tourism, and Hospitality Research* 10, no. 2 (2016): 223–234; Feng Hsiang Chang and Chih Yung Tsai, "Influences of The Cultural Implications and Tourism Attractiveness of Festival Tourism on Tourist," *Journal of Business and Management Studies* 2 (2016).

²⁵ Erna Hendrawati, "Asset Utilization Optimization, Local Government Support, Asset Management Professionalism Towards Increasing Village Original Income," *Jurnal Akuntansi* 11, no. 2 (2021): 163–174; Saputra et al., "Management of Village Original Income in The Perspective of Rural Economic Development."

- f. Assistance from the District Government, which includes:
 - 1. The share of regional taxes and levies is the share of regional taxes and levies, the amount of which is adjusted to the existing income. Each region is different according to its income.
 - 2. Part of the central and regional financial balance funds.
- g. Assistance from the Government (Central) and Provincial Government. This assistance is provided by the Government for a certain program and its implementation is regulated by law. For the value of the assistance, the value fluctuates according to the program it implements.
- h. Donations from third parties. Villages can receive assistance or donations from other institutions with the aim of prospering the community without a specific purpose and all of them can be accounted for.
- i. Village Loans. Villages can cooperate with other parties, both fellow villages and other institutions to borrow a number of funds to carry out development. This is done if there is a delay in the disbursement of village funds, but the village funds are confirmed to have decreased.
- j. Ownership and Management, which includes:
 - 1. Sources of income that have been owned and managed by the village may not be taken by the Government (Central) or Local Government (PEMDA). Empowerment of village potential in increasing village income is carried out, among others, by the establishment of Village Owned Enterprises (BUMDes), collaboration with third parties and the authority to provide loans. Sources of regional income in the Village, both taxes and levies that have been collected, also may not be taken by the Government (Central) or Regional Government (Pemda). Regional income from these sources must be given to the village concerned in a proportional and fair distribution. This provision is intended to eliminate the burden of high economic costs and other impacts.
 - 2. The APBDes management activities that are determined every year include the preparation of a budget for the implementation of financial administration and its amendments, as well as budget calculations.

PADes can be optimized in various ways, one of which is through tourism activities packaged in the concept of a tourist village. Village tourism is able to advance potential villages in the tourism sector that have not been optimized, so good management is needed in the formation, management, and development of tourist villages ²⁶. Village income serves to build a civil society that is integrated with a particular area ²⁷. In improving PADes, it is

²⁶ Gusti Ayu Rani Andari, Ni Luh Gede Erni Sulindawati, and Anantawikrama Tungga Atmadja, "Optimalisasi Pengelolaan Pendapatan Asli Desa Untuk Meningkatkan Pembangunan Perekonomian Desa Pada Desa Pejarakan, Kecamatan Gerokgak, Kabupaten Buleleng," *JIMAT (Jurnal Ilmiah Mahasiswa Akuntansi S1)* 7, no. 1 (2017).

²⁷ Beata Ślusarczyk and Aneta Herbuś, "Citizens' Budget and Local Community: An Insight from Czestochowa," *Jurnal Pengurusan* 58 (2020): 159–167.

necessary to develop a good financial management system, and the community must synergize and communicate to improve BUMDes governance²⁸. Management of Village Original Income (PAD) must be carried out on the basis of the principles of transparency, accountability, participation, as well as order and discipline learned from planning, budgeting, administration, reporting, accountability to supervision.

1.4. Village Potential

Villages have potential that can be optimized to improve welfare in poverty alleviation efforts through environmental management, natural resources and community resources²⁹. The development of the potential that exists in the village is one of the village strategies in improving village welfare in a sustainable manner³⁰. Village potential is the power, strength, ability and ability possessed by a village that has the possibility to be developed in order to improve community welfare³¹. Village potential can be divided into two; The first is the physical potential in the form of land, water, climate, geographical environment, livestock, and human resources. The second is the non-physical potential in the form of communities with their patterns and interactions, social institutions, educational institutions, and village organizations³².

Materials and Methods

The approach used in this research is qualitative with the type of phenomenological research. This study focuses on paying attention and examining objects or informants by looking at the subjective aspects of the object's behavior. This study will reveal meaning, by interacting with local values where this must be done by meeting and conducting interviews with informants directly and cannot be done with questionnaires.

Data analysis in qualitative is carried out in stages: 1) Data Reduction, 2) Data Display, 3) Conclusion Drawing and Verification. According to (Moleong, 2000) to determine the validity of the data required inspection techniques. The examination technique is based on a number of certain criteria. There are four criteria used to check the validity of qualitative data, namely: 1) Extending the Observation Period, 2) Observation Diligence, 3) Triangulation, 4) Reference Adequacy.

²⁸ Wahyuddin Zuhri & Juniat, "The Implementation of BUMDes Management in Sinjai Regency."

²⁹ Syamsu Qamar Badu, "Effect of Leadership Village Head on Empowerment of Village Potential Based on Environmental Management" 3, no. 12 (2018).

³⁰ Ridwan Manda Putra et al., "Sustainability Analysis of the Management of Lake Baru in Buluh Cina Village, Indonesia," *Smart and Sustainable Built Environment* 7, no. 2 (2018): 182–211.

³¹ Ahmad Soleh, "Strategi Pengembangan Potensi Desa," *Jurnal Sungkai* 5, no. 1 (2017): 35–52.

³² Masruroh Nikmatul and Agung Parnomo, *MENGGALI POTENSI DESA BERBASIS EKONOMI KERAKYATAN*, ed. S.H.I.; Setyaningrum Lutfiah, 1st ed. (Surabaya: CV. Jakad, 2018).

Discussion

BUMDes Pujon Kidul consists of several units that are managed directly by the community which are divided into all units. The presence of the BUMDes can increase the Original Income of Pujon Kidul Village which has an impact on the welfare and equitable distribution of village development.

1.5. Implementation of the Pujon Kidul BUMDes Unit

Village Owned Enterprises (BUMDes) located in Pujon Kidul Village named "Sumber Sejahtera" have been established since 2015. The establishment of BUMDes was motivated by requests from the surrounding community in the hope of being able to support the economy of Pujon Kidul Village. BUMDes Pujon Kidul elevates the natural potential of the village and culture with a tour package. There are five business units being managed, namely the Drinking Water User Population Association (HIPPAM), Integrated Waste Management Sites (TPST), Tourism (Cafe Sawah), Savings and Loans Unit or Banking, and Vouchers.

HIPPAM is a water source built by the government as a facility for the availability of drinking water for the community. Through HIPPAM, village officials can provide clean drinking water services for the community. In addition, HIPPAM has a fairly cheap tariff, which is only IDR 20,000 so that it does not burden the public to pay the tariff. The existence of HIPPAM is sufficient to provide benefits for the surrounding community to meet their daily needs such as drinking, bathing, and other activities involving clean water.

Cafe Sawah is a tourism unit that offers village cuisine wrapped with natural potential which is the hallmark of Pujon Kidul Village. The cafe is the most successful business unit in gaining economic benefits, while at the same time realizing good social conditions through the creation of job opportunities and business opportunities. This is in accordance with the words of Indah, one of the economic actors at Cafe Sawah:

"This Sawah Cafe has become an icon of the Pujon Kidul Tourism Village. Since its existence, this tourist village is increasingly popular in the eyes of tourism activists. Cafe Sawah has become a leading destination in the midst of increasingly rife tourism business competition."

The success of Cafe Sawah is a blessing for the village community, because it can attract tourists to visit the village, both from Malang and outside the Malang area. The cafe is equipped with various public facilities and rides such as sports, games, and agility rides. There is also an automotive and equestrian track equipped with guide facilities to help tourists. Another type of service offered is that visitors can choose a Strawberry picking tour package, besides being able to enjoy the fruit from the garden, visitors also get experience and education about good and correct fruit picking.

Cafe Sawah has a food court facility that provides a variety of traditional village dishes served as a buffet. Along the road to Cafe Sawah there are stands owned by the community selling various kinds of snacks, souvenirs, fruits, and vegetables. The management's efforts to provide easy and comfortable access, namely providing a very large parking area to accommodate hundreds of motorized vehicles and security aspects are assisted by officers.

The flow of tourists visiting cannot be denied that the cleanliness aspect must be upheld to give a comfortable impression for visitors, so Cafe Sawah cooperates with the TPST unit. Pujon Kidul TPST is a waste management site that was built with the aim of supporting environmentally sound development. This TPST accommodates waste from Cafe Sawah and the local community. Not only as a shelter, the TPST is also a place for processing waste into organic fertilizer. This organic fertilizer will be used by the community to manage their agriculture.

Other than having a relationship with the TPST unit, Cafe Sawah is also related to the voucher unit. Tourists who come to Cafe Sawah will be charged an entrance fee via a voucher for IDR 12,500 per person. The voucher can be exchanged for food or drinks that match the voucher price.

The Pujon Kidul BUMDes also has a savings and loan unit or banking that collaborates with BNI. The existence of this unit provides banking facilities that are easily accessible to the people of Pujon Kidul. Simply by going to the Pujon Kidul Village Hall, local people can make transactions such as transfers, pay bills and electricity tokens, save, and pay for motor vehicle installments. The unit also facilitates people who need a loan from BNI with a nominal value above IDR 20,000,000. In addition, the banking unit is also used as a medium for the distribution of the Family Hope Program.

All units in the Pujon Kidul BUMDes are interrelated with each other. Each unit is responsible for its respective functions. This is done in order to make Pujon Kidul BUMDes more advanced and developing.

1.6. Community Participation in the Management and Development of BUMDes Pujon Kidul

The management and development of BUMDes is inseparable from the performance of the community in order to achieve the goal of increasing the economy and accelerating development in the village. Like Pujon Kidul's BUMDes, the community has taken an extraordinary role, starting from proposing the establishment of BUMDes, forming a board, to managing and developing BUMDes. This is in line with the expression of Udi Hartoko as the Head of Pujon Kidul Village:

“The power of Pujon Kidul Village is generally in the hands of the community and not from individuals.”

The surrounding community becomes the workforce in the BUMDes. Around 131 workers spread across all Pujon Kidul BUMDes units have an average age range of 15-30 years. These workers come from underprivileged backgrounds and children who have dropped out of school, but they have advantages and are superior in their respective fields, especially in the agricultural and livestock sectors. This has an impact on the rate of juvenile delinquency in Pujon Kidul Village which is decreasing because they are busy managing BUMDes.

1.7. Pujon Kidul BUMDes Management Flow

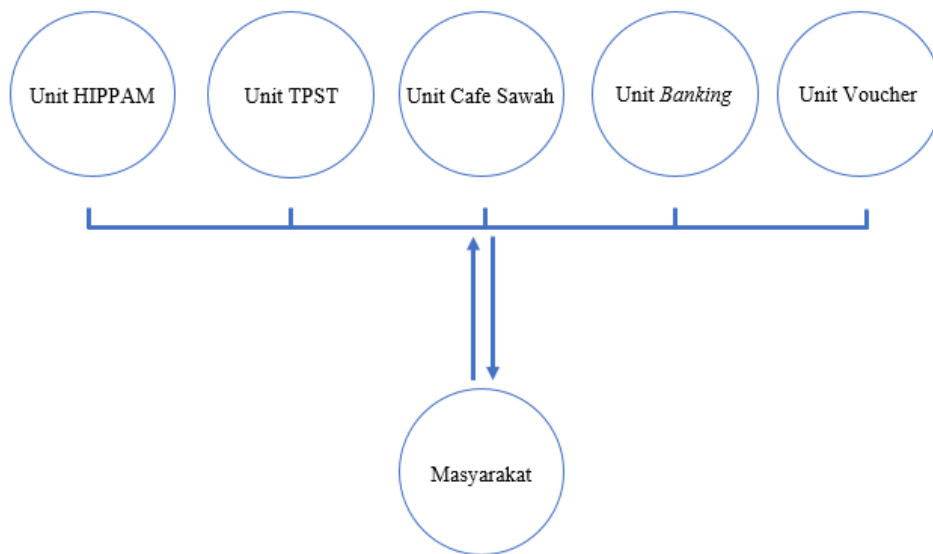


Figure 1. Pujon Kidul BUMDes Management Flow

The success of Pujon Kidul BUMDes is motivated by good management. Every unit, from HIPPAM to voucher units, can be managed by the surrounding community, so it cannot be denied that the community is the main actor involved in it. Management carried out by the community can reap maximum results so as to increase Village Original Income. The income is used to improve the welfare of the community through equitable development and other aspects. The success of the Pujon Kidul BUMDes is nothing but the result of community cooperation that carries the principles of, by and for the community. This is what makes the management of the Pujon Kidul BUMDes run smoothly to the point of success.

1.8. The Impact of the Pujon Kidul BUMDes on Village Original Income

Pujon Kidul BUMDes is one of the most successful BUMDes units in its implementation. This can be proven through community involvement in its management, the direct impact of which is the opening of employment opportunities that are able to absorb labor from the local community. The center of the village economy has encouraged people to become entrepreneurs and choose a career in the village, so that the rate of urbanization can be suppressed. Thanks to the support and cooperation of the community, they are not worried about their life choices. Significantly, the progress of BUMDes has had a positive impact, namely the decline in unemployment and poverty that occurred in Pujon Kidul Village. Badur, as Chairman of BUMDes Pujon Kidul stated that:

“With the existence of BUMDes Pujon Kidul, our Village Original Income in 2020 and 2019 is increasing rapidly.”

In 2019, the BUMDes was able to contribute an income of 1.8 billion towards Village Original Income. Meanwhile, in 2020, donated 1.5 billion. This income is the result of operations from several units in the Pujon Kidul BUMDes.

1.9. The Impact of Pujon Kidul BUMDes on Community Welfare

The rapid development of Pujon Kidul BUMDes has had a positive impact on the surrounding community, especially in terms of employment. Until now, at least more than 150 people work in these BUMDes units. Sholeh, a villager from Pujon Kidul Village is very supportive of the Pujon Kidul BUMDes:

“I am very happy with the existence of this Pujon Kidul BUMDes because me and my child can work to provide for the needs of the family.”

Starting from teenagers to adults, many have participated in the success of the BUMDes program. They work as tour guides, parking attendants, opening culinary stalls, and so on. The establishment of the Pujon Kidul BUMDes also gave rise to a new MSME in the village, namely Batik. This Batik MSME is an effort to empower rural communities, especially women. Village officials also held training for batik groups. Currently there are five groups of batik scattered in Pujon Kidul Village. They produce batik to fulfill consumer orders from several batik studios in Malang and other areas.

BUMDes Pujon Kidul apart from being able to absorb a large workforce, it also instills a culture of saving in the surrounding community through the Banking unit. People can easily save for old age

savings or something else. The business entity through the TPST unit has also succeeded in making the public aware of the meaning of cleanliness. Currently, the community is increasingly diligent in maintaining environmental cleanliness so that Pujon Kidul BUMDes is free from waste problems. In addition, there are no more people who fall sick due to lack of clean water. Some of the positive impacts of the establishment of the Pujon Kidul BUMDes can be seen that their existence is very beneficial for the surrounding community.

All management and development of BUMDes Pujon Kidul involve local residents, so that the resulting economic equity impact can provide a better livelihood for the people of Pujon Kidul Village. It also increases the sense of close kinship between residents with one another.

Conclusions

The success of the Pujon Kidul BUMDes management is due to the support and cooperation among the community which is able to encourage the activation of five business units. Starting from the Drinking Water User Population Association (HIPPAM), Integrated Waste Management Sites (TPST), Tourism (Cafe Sawah), Savings and Loans or Banking Units, and Voucher Units. The unit succeeded in absorbing a workforce of approximately 650 people which resulted in decreased unemployment and juvenile delinquency rates, as well as increasing Village Original Income (PADes) to accelerate village development. The Pujon Kidul BUMDes management model needs to be addressed by other villages. The spirit of *gotong royong* and a culture of tolerance between communities need to be underlined because it is what brings success to the management system that has been built. The implication is the importance of public awareness of village potential, so that if there is support and cooperation in managing village potential properly, this will undoubtedly become a blessing for the community. Further research is expected to examine the management models carried out by other villages, so that this topic can be carried out in a comparative study as to find models of village potential management.

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Received: April 11, 2022

Accepted: April 21, 2022

Released: December 15, 2022