

**ANALYSIS OF SUPPORTING FACTORS FOR THE ESTABLISHMENT OF
BUMDES “TUNAS MEKAR” IN REALIZING THE WELFARE OF THE
COMMUNITIES OF AFDELING II VILLAGE, BILAH BARAT,
LABUHANBATU DISTRICT**



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Abstract

BUMDes is a business institution managed by the community and village government to strengthen the village economy and build community social cohesion which is formed based on village needs and potential. BUMDes Mekar Sari is one of the BUMDes that has developed, which manages the business of selling Pertamina-92 fuel oil (BBM), through Pertamina's Pertashop, and Coffee and Culinary Stalls. This study aims to describe the supporting factors for the establishment of BUMDes Tunas Mekar in realizing the welfare of the people of Afdeling II village, West Bilah, Labuhanbatu Regency. The research method used in this study is a qualitative descriptive research method, to explore, explore, and describe the research results in a description of the words. The data collection techniques are carried out by observation, interviews, and documentation/literature studies. In this study, the factors that influenced the establishment of Mekar Sari BUMDes in realizing the welfare of the people of Afdeling II Bilah Barat Village included community participation, availability of initial capital, support from the Afdeling II Bilah Barat village government, and good leadership of the director of BUMDes Tunas Mekar.

Keywords: Bumdes, Village Development, Community Welfare

INTRODUCTION

Development in rural areas often lags behind urban areas. One of the challenges faced is the low economic level of the village community. Therefore, the establishment of the BUMDes Tunas Mekar Afdeling Village business is an alternative that can improve the welfare of village communities and build the local economy. However, to build a successful BUMDes Tunas Mekar Afdeling Village business, it is necessary to analyze the factors that encourage the establishment of these businesses to improve the welfare of the village community.

In the context of rural economic development, the formation of the BUMDes Tunas Mekar Afdeling Village business is important to create jobs and utilize the natural resources in the village. Therefore, an analysis of the factors influencing the establishment of the Tunas Mekar Village BUMDes business in Afdeling Village can provide a clear picture of the social, economic and environmental conditions of the village as well as strategic efforts that can be made to develop BUMDes businesses in rural areas. The business development of BUMDes Tunas Mekar Afdeling Village in North Sumatra has shown a positive trend in recent years. One of the factors influencing this development is local government support in increasing village independence and developing the local economy. North Sumatra has the potential for various natural resources, such as agriculture, plantations, fisheries, and tourism. This potential can be exploited by the village community through the establishment of the BUMDes Tunas Mekar Afdeling Village business which processes natural products into products with added value.

In addition, the regional government of North Sumatra has paid considerable attention to the development of the BUMDes Tunas Mekar Afdeling Village business. This is reflected in government programs aimed at improving the welfare of rural communities and building the local economy, such as infrastructure development programs, providing venture capital, entrepreneurship training, and promoting BUMDes Tunas Mekar products in Afdeling Village. In 2014, there were 78 BUMDes established in North Sumatra and this number will continue to increase until 2021. BUMDes businesses that have been established in North Sumatra cover various sectors, such as agriculture, plantations, fisheries, crafts, and tourism. BUMDes business development in North Sumatra has the potential to improve the welfare of rural communities and build a stronger local economy.

However, the challenges faced are also quite large, such as limited capital, skills, and market access. Therefore, strategic efforts need to be made to strengthen the BUMDes Tunas Mekar Afdeling Village business in North Sumatra, such as entrepreneurship training, providing venture capital, and developing marketing networks.

REVIEW OF LITERATURE

The BUMDes Definition

Village-owned enterprises (BUMDes) etymologically come from several words, namely business entities which are defined as juridical (legal), technical, and economic entities that aim to make profits or profits, while ownership can be interpreted as ownership or ownership, while village is a territorial unit. which is inhabited by several families who have their government system (KBBI). Thus, Village-Owned Enterprises (BUMDes) are businesses carried out by a government system that has laws that technically cover the community's economic sector.

Maryunani defines BUMDes as a business institution managed by the community and village government to strengthen the village economy and build community social cohesion which is formed based on the needs and potential of the village (Maryunani, 2008: 35). According to Rismawati in her thesis (2018) Village Owned Enterprises (BUMDes) are business institutions engaged in the management of village economic assets and resources within the framework of village community empowerment. BUMDes arrangements are regulated in Article 213 paragraph (1) of Law no. 32 of 2004, that villages can establish village-owned enterprises according to their needs and potential.

The main characteristics that distinguish Village-Owned Enterprises (BUMDes) from commercial economic institutions, in general, are: a) These business entities are owned by the village and managed jointly. b) Business capital comes from 51% of the village and 49% of the community through capital participation (shares or shares). c) Operationalization uses a business philosophy that is rooted in local culture (local wisdom). d) Business fields are carried out based on the potential and results of market information. e) The profits obtained are aimed at increasing the welfare of members and the community through village policies. f) Facilitated by the Government, Pemprov, Pemkab, and Pemdes.

g) Operational implementation is jointly controlled (Pemdes, BPD, Members). h) Decision-making and problem-solving are carried out through village meetings.

Village-Owned Enterprises (BUMDes) is an economic institution whose business capital is built on community initiatives and adheres to independence, this means that Village-Owned Enterprises (BUMDes) must fulfill capital from the community. However, this does not rule out the possibility that Village-Owned Enterprises (BUMDES) can apply for capital loans to outsiders such as the village government or third parties. This is following statutory regulation No. 6 of 2014.

Legal Laws for The Establishment of BUMDes

Referring to the laws and regulations governing village administration, it is concluded that the formation of BUMDes as a village economic institution has a strong legal basis. The regulations underlying the formation of BUMDes consist of laws, government regulations, to ministerial regulations. If it is necessary to regulate further, the regional government can establish regional regulations regarding BUMDes. Likewise, at the village level, village regulations regarding BUMDes can be made in accordance with the circumstances and characteristics of each village.

The following is the legal basis for establishing BUMDes, as follows:

1. Law Number 6 of 2014 concerning Villages;
2. Government Regulation Number 43 of 2015 concerning Implementing Regulations for Law Number 6 of 2014 concerning Villages as amended several times, most recently by Government Regulation Number 11 of 2019 regarding the Second Amendment to Government Regulation Number 43 of 2015 regarding Implementing Regulations of Law Number 6 of 2014 concerning Villages;
3. Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration Number 4 of 2015 concerning the Establishment, Management and Dissolution of Village-Owned Enterprises;
4. Regulation of the Minister of Home Affairs Number 1 of 2016 concerning Management of Village Assets;
5. Regulation of the Minister of Home Affairs Number 96 of 2017 concerning Procedures for Village Cooperation in the Field of Village Government;
6. Regional Regulation on Village Owned Enterprises;

7. Regent's Regulation regarding the Elaboration of Regional Regulations concerning Village-Owned Enterprises;
8. Village Regulations regarding Village Owned Enterprises;
9. Joint Village Head Regulations regarding Joint Village-Owned Enterprises (BUMDesma)

The North Sumatra BUMDes Regional Regulation (Perda) is a regional regulation that regulates the formation and management of Village-Owned Enterprises (BUMDes) in North Sumatra Province. This regional regulation was issued by the Provincial Government of North Sumatra with number 3 of 2018 concerning BUMDes. Perda explains that BUMDes is a business entity established by village communities to improve the village economy. BUMDes has the task of managing village potentials to improve community welfare. The North Sumatra BUMDes Perda also regulates procedures for establishing BUMDes, organizational structure, duties and authorities of BUMDes management, BUMDes financial management, and procedures for monitoring and evaluating BUMDes. The North Sumatra BUMDes Regional Regulation also provides support for the existence of BUMDes and encourages village governments to develop village potential through BUMDes. This aims to improve the economy of rural communities and strengthen village economic sovereignty. The North Sumatra BUMDes Perda also explains that the provincial and district/city governments are responsible for providing support in the form of technical assistance, capital, and other facilities to strengthen BUMDes in their regions.

BUMDes Management Principles

The BUMDes management principle is a guide or reference used in managing village-owned enterprises so that they can run well and provide maximum benefits for village communities. BUMDes management principles include aspects such as partiality to the community, independence, sustainability, professionalism, transparency, accountability, and active community participation in decision-making. These principles can help BUMDes to optimize village potential and improve the welfare of village communities through sustainable business activities in favor of the interests of the community.

The principles of BUMDes management that can be used as a reference in carrying out BUMDes business activities are as follows:

1. Favor of society

BUMDes must be oriented to the interests of the community and uphold the principles of justice, equality, and active participation of the community in decision-making.

2. Independence

BUMDes must be able to manage their resources independently and not depend on other parties in making decisions or managing finances.

3. Continuity

BUMDes must be able to manage resources sustainably and maintain their existence in the long term.

4. Professionalism

BUMDes must be run professionally and openly in every business activity.

5. Transparency and accountability

BUMDes must provide information openly to the public and be responsible for every decision taken in financial management

6. Partnership

BUMDes must collaborate with other parties, be it the government, the private sector, or other communities to improve the village economy.

7. Sustainable

BUMDes must be able to develop their business in a sustainable manner and not only focus on one type of business.

8. Innovative

BUMDes must have the ability to innovate and adapt to changes in the environment and economic situation.

Previous Research

Research by Rofaida and Arifin (2018) regarding the factors that influence the success of BUMDes in Blitar Regency. This study uses a qualitative approach with data collection techniques through interviews, observation, and documentation studies. The results of the study show that the factors that influence the success of BUMDes include community commitment, government support, management skills, and access to resources. Research by Kusuma, Kurniasih, and Raraswati (2018) regarding the role of BUMDes in improving the economy of rural communities in the Tegal Regency. This study uses a

qualitative approach with data collection techniques through interviews, observation, and documentation studies. The results of the study show that BUMDes play an important role in improving the economy of rural communities through developing micro and small businesses, increasing community skills and capacity, and increasing community participation in decision-making. Research by Yudhianto and Suryana (2020) regarding the factors that influence the success of BUMDes in Nglinggi Village, Magelang Regency. This study used a quantitative approach with data collection techniques through questionnaires and interviews. The results of the study show that the factors that influence the success of BUMDes include strong leadership, community involvement in decision-making, access to adequate capital and human resources, and targeted product development and marketing.

RESEARCH METHOD

The research method used in this study is a qualitative descriptive research method. The descriptive qualitative research method is a research approach that aims to understand social phenomena from a deep and detailed perspective. Qualitative methods are often used to explore and explore understanding of the meaning given by certain people or groups to a phenomenon.

The data collection techniques are carried out by observation, interviews, and documentation/literature studies. Hadi in Hikmawati (2017) suggests that "Observation is a complex process, a process composed of various biological and psychological processes. Two of the most important are the processes of observation and memory. The observations referred to in the observational research conducted by researchers regarding the management of Tunas Mekar Village Owned Enterprises (BUMDes) in Afdeling II Village, West Bilah, Labuhanbatu Regency. The interview is the process of obtaining information with the aim of researchers conducting debriefing with informants. As a data collection technique, researchers use preliminary studies to find problems that must be studied, and also what if researchers want to know things from respondents that are more in-depth and the number of respondents is small/small. Interviews were conducted by conducting direct questions and answers between researchers and research informants.

In the interview stage, the method used by the researcher was using unstructured interviews, namely free interviews, that is, the researcher did not use an interview guide that contained specific questions to be asked, and only contained important points of the problem that the respondent wanted to explore.

RESULTS AND DISCUSSION

BUMDes Mekar Sari Afdeling II Village Bilah West Labuhanbatu

Suparto (2016) stated that BUMDes is a business unit managed by the village community as an independent business entity, in which the village government is the shareholder. While Daulay (2019) stated that BUMDes is a business institution owned by the village, as part of the authority of the village in managing its potential by taking into account the interests of the village community. According to Siregar (2020), BUMDes is a form of economic business that is managed and owned by the village community, which aims to improve the welfare of the village community through developing economic businesses based on local potential. From some of the opinions of these experts, it can be concluded that BUMDes is a business unit that is managed and owned by the village community, to improve community welfare and build the local economy. BUMDes is also part of the village's authority in managing its potential by taking into account the interests of the village community. BUMDes (Village Owned Enterprises) are economic institutions owned, managed, and operated by village communities to improve community welfare and build the local economy.

BUMDes Tunas Mekar was established by the Afdeling II village government based on Village Law Number 6 of 2014 and further regulated in the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration Number 5 of 2015. BUMDes can operate in various business sectors, such as managing the business of selling Pertamina-92 fuel oil (BBM), through Pertamina's Pertashop, and Coffee and Culinary Stalls, located at Simpang Desa Kampung Baru,

BUMDes Tunas Mekar is independent and has legal rights to manage the administration and financial management of the business being run. The purpose of establishing BUMDes Tunas Mekar is to improve the welfare of the village community and build a sustainable local economy. In carrying out its business, BUMDes must pay attention

to the principles of sustainability, participatory and inclusive, and must pay attention to environmental and social aspects. BUMDes Tunas Mekar is expected to become a driving force for the economy of the people in Afdeling II village, create new jobs, increase the added value of local products, and increase the income of the village community. In addition, this BUMDes is also expected to reduce the dependence of village communities on the informal sector and increase the overall economic independence of the village.

Mekar Sari Business Objectives

The general objective of BUMDes Mekar Sari is to improve the village economy and the welfare of the village community by managing village potentials independently and sustainably. In this case, BUMDes is expected to be a driving force for economic development in the village and to be a solution to overcoming the problems of poverty and unemployment in the village. The specific objectives of establishing Mekar Sari BUMDes include:

1. Increasing the income of rural communities through optimal and sustainable utilization of village potential.
2. Building a strong and sustainable village economic system through the development of productive and creative businesses. At present, the Mekar Sari BUMDes business type that has developed manages the business of selling Pertamina-92 fuel oil (BBM), through Pertashop Pertamina, and Coffee and Culinary Stalls.
3. Increasing village community access to resources and market access, so that they can increase their competitiveness and economic independence. The presence of Pertashop Pertamina is the flagship of BUMDes Mekar Sari. Pertashop, which sells Pertamina-92 fuel, is strategically located on major inter-district roads.
4. Encouraging the active participation of village communities in making decisions related to village economic development, to create greater involvement and strengthen democracy in the village.
5. Increasing the use of natural resources and the environment in a sustainable manner, to create ecological balance and create a healthy and sustainable environment.

Factors Influencing the Establishment of BUMDes Mekar Sari in Realizing the Welfare of the Afdeling II Bilah Barat Village Community

Several factors influenced the establishment of Mekar Sari BUMDes, namely:

1. Society Participation

Community participation in building BUMDes is in the form of financial support, labor, or even ideas for business development. BUMDes Mekar Sari empowers the local workforce through skills training or recruiting employees from the local community so that there are opportunities for the community to be involved in business activities and improve their economic welfare. In addition, the community can buy products or services offered by BUMDes as a form of support and participation in the development of BUMDes. This can also increase public confidence in the products or services produced by BUMDes.

2. Availability of Initial Capital

initial capital for the formation of the Mekar Sari BUMDes came from assistance from the government through village funds. In managing initial capital, BUMDes Mekar Sari is expected to carry out good financial planning and consider funding sources that are most suitable for its business needs. BUMDes must also consider risk and financial factors related to initial capital management to ensure the success of business operations in the long term.

3. Afdeling II West Bilah Village Government Support

The support provided by the Afdeling II village government was very important in building Tunas Mekar BUMDes. The village government provides assistance or guidance to BUMDes managers so that they can develop and be independent in running a business. The village government has provided the facilities and infrastructure needed by BUMDes Tunas Mekar to run its business, such as land allocation, and access to infrastructure such as electricity and water. In addition, the village government also facilitates collaboration between BUMDes and related parties.

4. Good Leadership

director of BUMDes Tunas Mekar is Mr. Anto Bangun. Good leadership affects success in running a business. Under good leadership, the management of BUMDes Tunas Mekar can manage BUMDes and run the business well. In addition, BUMDes

management is also expected to be able to communicate with the community and build good cooperation with related parties.

CONCLUSION

Based on the description of the results of the research above, it can be concluded that BUMDes Tunas Mekar, Afdeling II Village, North Labuhanbatu has brought significant changes in the economic and social fields. Currently, the type of BUMDes Mekar Sari business that has developed manages the business of selling Pertamina-92 fuel oil (BBM), through Pertashop Pertamina, and Coffee and Culinary Stalls, which of course absorbs local workers and revives the economic pulse of the community around the BUMDes Blooming buds stand up. However, there are still many improvements needed to optimize the management of this BUMDes, such as repairs to several public facilities and infrastructure around the business location which still need to be completed and beautified.

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