

Development Strategy of Village Owned Enterprises (BUMDes) in an Effort to Improve Community Welfare at Tropodo Village Sub-District of Krian Sidoarjo Regency

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Submitted: 06-09-2024; Accepted: 21-10-2024; Published: 29-10-2024

DOI: <https://doi.org/10.30996/jpap.v10i2.11898>

Abstract

This research analyzes the Development Strategy of Village-Owned Enterprises (BUMDes) to Improve Community Welfare at Tropodo Village Sub-District of Krian Sidoarjo Regency. The method used in this research is descriptive qualitative. Data collection techniques use primary data obtained through interviews and secondary data obtained through observation, documentation, and journals. The author uses data analysis techniques from Miles (Sugiyono, 2013): data collection, data reduction, data presentation, and drawing conclusions. The results of this research show that the strategy for developing village-owned enterprises (BUMDes), namely, first, human resources, has been successful because changes in management structure have provided better development with the presence of far more business units. Second, the management fund, BUMDes Bumiasih, has a strategy that can give a much wider source of funds. Third, e-mail and MS Excel are the preferred technologies in terms of technology and information. Fourth, regarding facilities and infrastructure, many changes have been made to develop BUMDes Bumiasih business units further.

Keywords: strategy, development, BUMDes.

1. Introduction

The village, as the smallest part of the country's structure, plays a significant role in the social environment of the community. It directly addresses the basic needs of the community and is responsible for their welfare. As per Law Number 6 of 2014, a village is a legal community with territorial boundaries and the authority to regulate the government and the interests of the community. The village's role is crucial, as it is measured through the fulfillment of the needs of clothing, food, cheap and quality education, as well as physical and spiritual needs. The village government can form Village-Owned Enterprises (BUMDes) to achieve welfare, in accordance with Law Number 6 of 2014 which encourages villages to have business entities to meet the needs of the community by utilizing local resources. BUMDes, according to Government Regulation Number 11 of 2021, is a legal entity established by villages to manage businesses, utilize assets, and develop investments independently without involving the village government.

BUMDes was formed to empower and create village independence based on local potential. The goal is also to prosper the community, meet their needs, and provide benefits for them. BUMDes is expected to drive the local economy according to the needs and potential of the village, with the primary goal of improving the welfare of the village community (Arif K. Hermawan & Ayu Dini K.P, 2019). In BUMDes, business units carry out economic activities or public services to achieve the functions and objectives of BUMDes (Indonesia. Presiden (2019-2024: Joko Widodo), 2021). The community manages this business unit under the supervision of BUMDes leaders based on the natural resources available in the village. For example, if BUMDes focus on trade, people can participate in trading activities. The community can



contribute to the management and development of BUMDes to achieve optimal individual dignity, quality, and abilities (Iskandar Wiryokusumo & J Mandalika, 1982).

Development itself is a process that aims to increase the effectiveness of an organization by uniting the expectations of each individual for the development of the organization's goals. Development must be carried out in an organization to stay caught up with other organizations. There are two factors behind every organizational development: 1) external strength, which includes competition, technological developments, and change. 2) internal strength, which includes structures, procedures, and infrastructure (Taliziduhu Ndraha, 2012). In the development of BUMDes, some strategies can be used by the village government and BUMDes management to realize the success of development goals in BUMDes. In strategy, setting goals for development is by combining internal and external factors so that it can provide clear direction toward its development goals. So, strategy is a plan that connects the organization's potential and is designed to ensure the achievement of organizational objectives (Fred R David, 2004).

According to BPS data, the percentage of rural poor in March 2023 was 12.22%, down from September 2022. However, this figure is still much higher than urban poverty which reached 7.29% in the same period. The central government is actively focusing on improving village development to ensure the welfare of the village community is evenly distributed. According to Law Number 13 of 1998 Article 1 Paragraph 1, the welfare of the elderly is defined as the order of social life that includes material and spiritual aspects, which creates a sense of security, both physically and mentally, so that citizens can meet their physical, spiritual, and social needs. Factors that affect people's welfare include the environment, access to electricity and clean water, infrastructure, and income levels. The government's commitment to reducing the number of poor people every year is a positive step towards improving welfare. Data from the Central Statistics Agency shows that the number of poor people in Sidoarjo Regency is decreasing every year. The number of poor people in Sidoarjo Regency decreased from 137.15 thousand people in 2021 to 125.69 thousand people in 2022 and 119.15 thousand people in 2023. This demonstrates the success of the Sidoarjo Regency Government in reducing poverty and improving community welfare.

Therefore, this will further reduce poverty and improve welfare. Tropodo Village contributes by providing jobs through Village-Owned Enterprises (BUMDes). The Tropodo Village Government changed the management structure of the Bumiasih BUMDes to be more competent in improving their performance. The following is the management structure of BUMDes Bumiasih Tropodo Krian Sidoarjo Village after changing.

Table 1. List of Management Structure BUMDes Bumiasih

No.	Name	Address	Position
1.	Haris Iswandi	Dsn Balepanjang RT 01/ RW 01	Advisor
2.	Darwin	Dsn Tropodo RT 04/ RW 03	Supervisor
3.	Suyanto	Dsn Balepanjang RT 02/ RW 01	Supervisor
4.	Ir. Zainul Arifin	Dsn Balepanjang RT 08/ RW 01	Supervisor
5.	Totok Handoko	Dsn Klagen RT 01/ RW 04	Director of Bumdes
6.	Rhomdan Deri	Dsn Balepanjang RT 06/ RW 01	Secretary



7.	Suhermin	Dsn Klagen RT 02/ RW 04	Treasurer
8.	Khoirul Yakya	Dsn Tropodo RT 02/ RW 03	Head of Food Court Unit
9.	Zainuri	Dsn Tropodo RT 04/ RW 03	Unit Employees
10.	Suyatno	Dsn Tropodo RT 07/ RW 03	Unit Employees
11.	Totok	Dsn Klagen RT 01/ RW 04	Head of Estate Unit
12.	Abdul Maliq	Dsn Klagen RT 04/ RW 04	Head of Field Unit

(Source: Director of BUMDes Bumiasih Tropodo Village)

Mr. Totok Handoko, the elected Director of BUMDes, wants to organize and maximize the benefits of BUMDes according to his goals. He designed a new development strategy that utilizes the local potential of Tropodo Village to be used as tourism in the future. He developed the avocado farming unit and the BUMDes Bumiasih football field, utilizing vacant land for business and sports and opening more jobs. He focused on developing new units and improving how BUMDes works to optimize human resources performance and make the people of Tropodo Village an asset driving the local economy to support BUMDes Bumiasih. The results of the BUMDes Bumiasih development strategy can be seen in the report as follows :

Table 2. Business Unit Development Report of BUMDes Bumiasih

No.	Years of DBU	Business Unit Name	Budget
1.	2016	Food Court Business Unit	Rp. 180.000.000
2.	2023	Avocado Plantation Business Unit	Rp. 110.000.000
3.	2023	Football Field Business Unit	Rp. 75.000.000

(Source: Management of BUMDes Bumiasih Tropodo Village)

Based on the table above, it is known that in 2016, BUMDes Bumiasih only had a food court business unit that focused on trading businesses. The food court unit received funding for three years, starting with a budget in 2016 of Rp. 180,000,000, in 2017 of Rp. 180,000,000, and in 2018 Rp. 165,000,000. So, in this new management, BUMDes Bumiasih has a capital of Rp. 525,000,000. In 2023, the management of BUMDes Bumiasih developed a new business unit, namely an avocado plantation and a football field, on the idea of the new director, Mr. Totok Handoko with the aim of creating a tourism icon in Tropodo Village. The community plays a crucial role in the management of the avocado plantation business units, including planting, fertilizing, and maintenance. Their active involvement not only ensures the success of the project but also fosters a sense of ownership and responsibility. The initial budget for the development of this business unit comes from village funds that have been adjusted to the analysis of capital and production costs by the Tropodo Village Government. As well as for the football field business unit that has previously been managed by itself without the intervention of BUMDes. To improve management and create jobs, the football field is registered as a business unit of BUMDes Bumiasih, with a budget from the Ministry of Villages, Development of Disadvantaged Regions, and Transmigration (KEMENDES).

Every development strategy faces problems that hinder success. In the development strategy of BUMDes Bumiasih in Tropodo Village, several problems are the task for the new



management, namely first, the management of human resources in BUMDes Bumiasih. Previous management could have been more optimal, resulting in BUMDes not functioning efficiently and developing as expected. Second, the lack of transparency in financial management hinders the development of BUMDes and causes new management to be unable to provide maximum income. The management of BUMDes Bumiasih needs to start from scratch to improve BUMDes and encourage significant changes in human resource development in Tropodo Village.

The previous research is a reference in reviewing the current research on developing BUMDes for community welfare. The first: research conducted by Wendy Eka Wahyu Maulidya and Andrie Kisroh Sunyigono (2023) with the title "Development Strategy for Village-Owned Enterprises (BUMDes) Pancoran Mas, West Dempo Village, Pasean District, Pamekasan Regency." This study uses a quantitative descriptive method to analyze the conditions and internal and external factors of BUMDes. The results show that the development of BUMDes Pancoran Mas has succeeded in making maximum use of natural resources, as evidenced by the So (Strength Opportunity) Strategy indicator with the formation of a new business unit aimed at managing village potential and creating jobs for the local community. The obstacle to developing Pancoran Mas BUMDes is community participation.

Furthermore, research conducted by Jusman Iskandar, Engkus, and Fadjar Tri Sakti (2021) with the title "Development Strategies for Village-Owned Enterprises (BUMDes) in Improving the Welfare of Village Communities." This study uses a qualitative descriptive method through interviews, observations, and documentation. The results show that the management development strategy of BUMDes Mekarmaju Village is successful because the community feels direct benefits from the empowerment of village potential, namely blacksmiths. BUMDes, with raw material facilities, equipment, and promotions, supports 235 blacksmith SMEs in Mekarmaju Village. However, there are still problems in human resource development that could be more optimal.

The third research is a study conducted by Aulia Tafhana Arindhawati and Evy Rahman Utami (2020) entitled "The Impact of the Existence of Village-Owned Enterprises (BUMDes) on Improving Community Welfare (Study on Village-Owned Enterprises (BUMDes) in Ponggok Village, Logo, Ceper, and Manjungan, Klaten Regency)". This study uses a qualitative descriptive method and shows that the transparency of BUMDes management in Ponggok, Tlogo, Ceper, and Manjungan Villages, Klaten, contributes to the community's welfare. This is proven by reducing unemployment, providing business capital loans, and remuneration for BUMDes employees. The problem in this study is the skills of human resources in BUMDES that need to be trained to work optimally.

This research is based on Alfred Chandler's development strategy theory (Freddy Rangkuti, 2006). He emphasized the importance of the right strategy in organizational development to achieve long-term goals. Organizational development must be planned and systematic to be effective. Alfred Chandler proposed four indicators of development strategy: 1) Human Resources, 2) Funds, 3) Information and Technology, and 4) Facilities and Infrastructure.

Based on the description above, the researcher is interested in researching the Development Strategy of Village-Owned Enterprises (BUMDes) to Improve the Welfare of the People of Tropodo Village, Krian District, Sidoarjo Regency. This study aims to analyze and



describe the development strategy of village-owned enterprises (BUMDes) to improve the welfare of the Tropodo Village, Krian District, and Sidoarjo Regency community. This research focuses on the Development Strategy of Village-Owned Enterprises (BUMDes) for Improving the Welfare of the Community of Tropodo Village, Krian District, Sidoarjo Regency, which is measured based on four indicators of development strategy theory according to Alfred Chandler (Freddy Rangkuti, 2006), by the conditions in the field. The four indicators are 1) Human Resources, 2) Funds, 3) Information and Technology, and 4) Facilities and Infrastructure.

2. Methods

This study uses descriptive methods and qualitative approaches to examine the development strategy of village-owned enterprises (BUMDes) to improve the welfare of the Tropodo Village, Krian District, and Sidoarjo Regency community. Based on Alfred Chandler's theory (Freddy Rangkuti, 2006), The indicators selected based on conditions in the field are 1) Human Resources, 2) Funds, 3) Information and Technology, and 4) Facilities and Infrastructure. Primary and secondary research data were collected in Tropodo Village, Krian. The Village Head and Management Director of BUMDes Bumiasih were interviewed using purposive sampling. Secondary data sources include observations, documents, and scientific journals (Wahyu Purhantara, 2010). In the study, the researcher used qualitative data analysis according to Miles' theory (Sugiyono, 2013), which includes collection, reduction, presentation, data verification, and conclusion drawn.

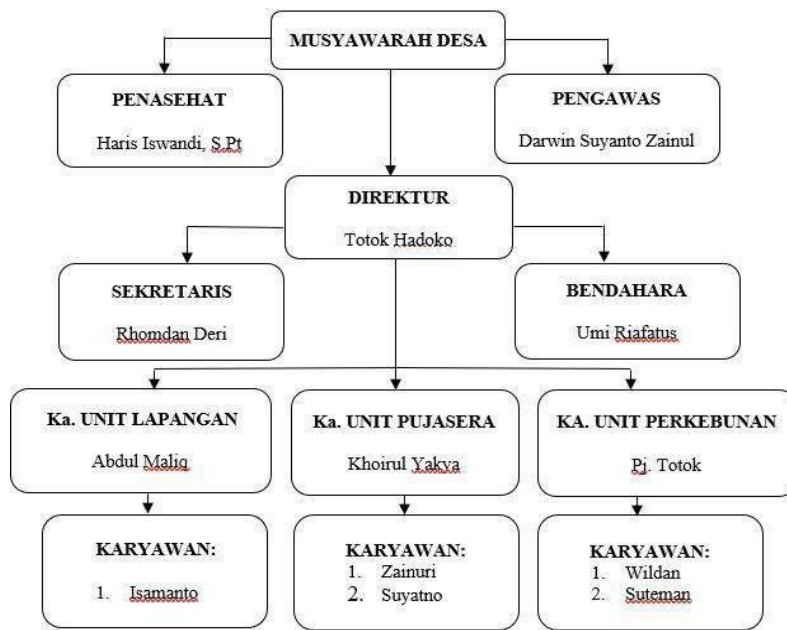
3. Results and Discussion

The Bumiasih BUMDes in Tropodo Village, Krian District, Sidoarjo Regency, previously experienced obstacles in development due to the lack of an effective strategy, and because it was a form of independent management, the Tropodo Village Government could not fully control the development of the BUMDes. A new management was formed to provide a development strategy that was expected to bring positive changes. The researcher used Alfred Chandler's theory to evaluate the success of the Bumiasih BUMDes development strategy. This theory has four indicators: 1) Human Resources, 2) Funds, 3) Information and Technology, and 4) Facilities and Infrastructure, which are explained as follows:

1. Human Resources

According to Alfred Chandler, human resources are individuals who interact with society. Human resources are essential in the development of BUMDes Bumiasih management. Quality human resources are needed to ensure the success of development. In the development of BUMDes Bumiasih, the previous management could not make an excellent contribution to the development of BUMDes. Therefore, the Tropodo Village Government changed the management of BUMDes Bumiasih, and the management structure was chosen directly by the elected director, Mr. Totok Handoko, from the surrounding community. The new management structure and division of tasks are as follows :





Picture 1. Management Structure of BUMDes Bumiasih 2022
 (Source: Management of BUMDes Bumiasih)

More than just resources, the active involvement of the surrounding community in the development of business units is of utmost importance. Their participation significantly impacts the achievement of our goals. The community's role in the development of BUMDes Bumiasih is not just important, it's crucial. As stated by the Head of Tropodo Village, Mr. Haris Iswandi, S.Pt.:

"In addition to the structure of BUMDes Bumiasih, our community also participates in various business units such as agriculture and rents business stalls such as chicken noodles, soto, and ice degan managed by our cadre, Mrs. Ima. Most of the participation came from residents, only a few from outside, so the community's contribution in the development of BUMDes business units is outstanding." (Interview on May 16, 2024)

The statement from the Head of Tropodo Village is in line with the statement from the Director of Management of BUMDes Bumiasih, Mr. Totok Handoko, who stated the following;

"In the development of BUMDes Bumiasih, community participation is optimized through the food court business unit by providing trade stalls for people with trading skills. For the avocado plantation business unit, the community is involved in caring for the avocado orchard from planting to the productive period and maintaining the football field and surrounding infrastructure. The most important thing for us is to empower the surrounding community and create jobs." (Interview on May 20, 2024)

Every organizational development, both private and public, requires training and evaluation to measure the success of the strategies implemented, including BUMDes Bumiasih. Every year, training and assessment of BUMDes management work is carried out, as expressed by the Head of Tropodo Village as follows:



"Evaluation is necessary because the capital we provide is state money to prevent unwanted things. The evaluation was carried out when I was just in office due to losses in the previous management. RTs, RWs, and community leaders attended this evaluation to share ideas about BUMDes Bumiasih in the future. After the new management is present, we conduct an evaluation to assess the development and management process. This evaluation is usually called MUSDES (Village Deliberation)." (Interview on August 13, 2024)

Furthermore, the Head of Tropodo Village also provided information related to BIMTEK, following the results of the interview:

"For the past 2-3 years, BUMDes Bumiasih has been a beneficiary of the BIMTEK training in Trawas, a 2-day and 1-night event that involved all BUMDes management and several village officials. The primary purpose of this training, facilitated by two resource persons from BPD Krian District and Sidoarjo Regency, was to provide comprehensive knowledge on effective BUMDes systems, regulations, and management, thereby significantly enhancing the organization's management. (Interview on August 13, 2024))

BUMDes is an independent village business unit with its own rules and management. In the evaluation activity, BUMDes Bumiasih did not only participate in the evaluation from the Tropodo Village Government. The management of BUMDes Bumiasih also has its evaluation schedule. The following are the results of the researcher's interview with the management director of BUMDes Bumiasih:

"The management of BUMDes Bumiasih is committed to regular and thorough evaluation of its activities. These evaluations are not only conducted monthly, quarterly, and yearly, but also whenever there are problems or complaints. The process involves meetings to discuss issues and find solutions collectively. The director of BUMDes Bumiasih, Mr. Totok Handoko, ensures that every month, he consults with business units, secretaries, and treasurers to maintain a proactive approach to management" (Interview on May 20, 2024)

The BIMTEK training has been instrumental in assisting the management of BUMDes Bumiasih. Inexperienced members have gained new knowledge that is crucial for the development of BUMDes. According to the Director of BUMDes Bumiasih, Mr. Totok Handoko, this knowledge is highly beneficial for the future progress of BUMDes. Here is his statement:

"The technical guidance is a request from the Village Government before providing a capital budget so that the management of BUMDes will be able to properly manage the management and capital provided. We also get management knowledge and input on how to manage BUMDes management properly and correctly." (Interview on August 15, 2024)



The following is a picture of the BIMTEK (Technical Guidance) activity carried out by the Tropodo Village Government:



Picture 2. BIMTEK (Technical Guidance) Activities in Trawas
(Source: Management of BUMDes Bumiasih)

The following is a picture of the MUSDES activity or evaluation activities carried out by the Tropodo Village Government with the management of BUMDes, BPD (Village Supervisory Agency), and the local community:



Picture 3. BUMDes Bumiasih Evaluation Activities
(Source: Tropodo Village Government)

The results of the study show that in the development of BUMDes, attention needs to be paid to human resources, both in the management of BUMDes and the surrounding community. The development strategy of BUMDes Bumiasih, which involved a change in the management structure, has a positive impact, as seen from the addition of business units and transparency in the distribution of business results. The success of BUMDes Bumiasih in creating wider employment opportunities is significantly supported by the village government. The Tropodo Village Government not only provides capital, but also supports training for BUMDes management, highlighting the crucial role of government support in the success of BUMDes.

This is by a previous study entitled "Development Strategy for Village-Owned Enterprises (BUMDes) Pancoran Mas, West Dempo Village, Pasean District, Pamekasan Regency" by Weny Eka Wahyu Maulidya and Andrie Kisroh Sunyigono from the Agribusiness Study Program, Faculty of Agriculture, Trunojoyo University, Madura in 2023. The research shows that water resources from the hills provide new business opportunities for these BUMDes. In addition, qualified human resources with management consisting of 2 Bachelor's degree graduates and members with high school education contributed to the success of BUMDes Pancoran Mas. The Dempo Village Government also supports the development of Pancoran Mas BUMDes by allocating village funds as capital.



2. Funds

Funds are capital used to meet an organization's or business's development needs. In Bumdes Bumiasih, capital is obtained from the Ministry of Des, village funds, and business unit revenues. The management of Bumiasih uses this capital to develop food courts, football fields, and avocado plantations.

At the inception of BUMDes Bumiasih, the Director of BUMDes Management took a significant step by proposing the establishment of BUMDes to the Ministry of Villages, Development of Disadvantaged Regions, and Transmigration (KEMENDES). This strategic move was aimed at expanding the capital sources to maximize the development of BUMDes Bumiasih. The support and recognition from the Ministry of Villages, as evidenced by the certificate, is a testament to their crucial role in the growth of BUMDes Bumiasih :



Picture 4. Certificate of Establishment of BUMDes Bumiasih
(Source: Management of BUMDes Bumiasih)

Apart from the Ministry of Des, the source of capital for BUMDes Bumiasih was obtained from the village fund of the Tropodo Village Government, Krian. The Village Government supports the development of BUMDes Bumiasih through business capital and the provision of land facilities for management and development by BUMDes Management. According to the researcher's interview with the Head of Tropodo Village, as follows :

"The Head of Tropodo Village emphasized the significant role of the Village Government in the development of BUMDes. He stated, "We prioritize the development of BUMDes by providing capital support and facilities so that they can develop properly. The Village Government is ready to support all the needs of BUMDes, including finance and place." (Interview on August 13, 2024)

In the interview, it was also explained that to get capital from the Village Government, BUMDes management must submit an application and present the capital's input and output for transparency. The following are the results of the interview quoted by the author:

"The capital is given after the management of BUMDes applies to the Village Government and presents its inputs and outputs. Previously, we had provided capital for



Rp. 110,000,000.00 million for the cultivation of corn, chili, and avocado. The management of BUMDes is expected to report the planting results. BPD is also involved in ensuring transparency in the use of capital." (Interview on August 13, 2024)

In line with the village government's statement, the management of BUMDes Bumiasih stated the amount of support the village government has for the development of BUMDes. Regarding funding, the initial funds were obtained from village funds and then added from the Ministry of Villages. The following are the interview results with the Director of Management of BUMDes Bumiasih:

"We obtain capital participation from the village government through village funds and the special budget of the Ministry of Villages, as well as additional capital from the turnover of revenue from business units." (Interview May 20, 2024)

In addition to the capital participation budget, there is an operational assistance budget for managing BUMDes Bumiasih, which is used to improve facilities and infrastructure. However, this budget is separate from the business capital of the Tropodo Village Government. The following is a table of the operational assistance budget of BUMDes Bumiasih :

Table 3. Operational Assistance Budget (Non-Capital Participation)

Year	Total Budget	Results of Budget Use
2023	Rp. 18.000.000,00	<ul style="list-style-type: none"> - Toilet Repair - Banner Support Post Repair - Water Reservoir Repair - Water Pump Repair - Repair of Fasting Buffer

(Source: Management of BUMDes Bumiasih)

Every capital provided to an organization will always have a deficit. Likewise, the capital provided by the village government is used to manage BUMDes Bumiasih. According to the Director of BUMDes Bumiasih, Mr. Totok Handoko, the budget will not meet the needs according to the management design. To ensure that the budget of BUMDes Bumiasih is sufficient, the management implements cross-subsidies. The following are the results of the interview with Mr. Totok Handoko:

"The budget from the Village Government is not enough for our plan, so we need to get around it to be appropriate. We carry out cross-subsidies by allocating surpluses from profitable business units to help business units that lack capital." (Interview on August 15, 2024)

BUMDes development aims to increase business units, provide income for the village, and community welfare. The management of BUMDes Bumiasih implements a revenue-sharing system for the Village Government and the local community. The annual report of the management of BUMDes Bumiasih budgets 10% of the income as a social fund for the people of Tropodo Village, which will be distributed as cash to those in need, such



as for health and education. Here are the profits from BUMDes Bumiasih's revenue in 2023:

Table 4. Overall Revenue Profit of BUMDes Bumiasih Year 2023

Gross Profit	Operational Costs	Net Profit
Rp. 280.250.000	Rp. 268.274.500	Rp. 11.975.500

(Source: Management of BUMDes Bumiasih)

Based on the report above, the results are obtained that the overall net profit of BUMDes Bumiasih Tropodo in 2023 is as follows:

Table 5. Distribution of Revenue from BUMDes Bumiasih Year 2023

No.	Transaction	Number of distributions
1.	PAD (Original Village Income) 20%	Rp. 2.395.000
2.	Bumdes Capital Increase 30%	Rp. 3.592.000
3.	Performance Allowance 25%	Rp. 2.993.000
4.	Management Capacity Building 15%	Rp. 1.795.000
5.	Community Social Fund 10%	Rp. 1.197.500
	Sum	Rp. 11.975.500

(Source: Management of BUMDes Bumiasih)

Revenue, profit, and revenue sharing are recorded in the annual report submitted to the Village Government. This report reflects the Management of BUMDes Bumiasih's efforts to maintain the trust of the community and the Village Government and demonstrate a commitment to transparency to avoid previous management mistakes.

The study results show that BUMDes Bumiasih, despite not receiving fully sufficient capital support from the village government, is committed to the welfare of the people of Tropodo Village. The BUMDes management effectively overcomes these shortcomings with cross-subsidies, and the establishment certificate from the Ministry of Agriculture is also used for development. The distribution of management's revenue clearly demonstrates this commitment, as it benefits the people of Tropodo Village and maintains transparency with the government and local residents.

This is different from previous research entitled "Development Strategy for Village-Owned Enterprises (BUMDes) Pancoran Mas West Dempo Village, Pasean District, Pamekasan Regency" conducted by Weny Eka Wahyu Maulidya and Andrie Kisroh Sunyigono from the Agribusiness Study Program, Faculty of Agriculture, Trunojoyo University Madura in 2023. A SWOT analysis found that the Pancoran Mas BUMDes did not have legality, resulting in limited capital. Limited capital hinders the development of BUMDes business units, so its contribution to PAD is minimal.



3. Information and Technology

As time evolves, information and technology advances are getting more rapid, allowing easy access to information. In developing an organization or business, it is essential to have effective technology and information to reach a wider audience. Information technology also helps management in communicating with the public about the organization. Technology and information are tools used in management to process, process, and obtain management structures, and compile and store data to produce relevant and accurate information that can be shared with a wide audience.

While BUMDes Bumiasih Management has made strides in utilizing technology, including computers and applications like Ms. Excel for data processing and income calculation, there is still a significant gap. The absence of an effective information technology system hinders the organization's ability to disseminate information widely. As per the Director of Management, information dissemination is still largely manual, relying on oral communication. The only digital communication tool in use is an email address for correspondence. These findings were revealed in an interview with the Director of Management:

"We do not have a website or social media for information technology. We only use email and Excel for bookkeeping and revenue reporting. Information related to BUMDes is disseminated orally by the secretary. But I plan to make a one-stop application for bookkeeping and marketing of business units." (Interview on August 15, 2024)

The e-mail address of BUMDes Bumiasih is registered [the name bumdesabumiasih2022@gmail.com](mailto:bumdesabumiasih2022@gmail.com). The statement of the Director of BUMDes Bumiasih is not in line with the Head of Tropodo Village, who, in an interview, revealed that BUMDes Bumiasih has a website for management. Here are the results of the interview:

"Technology and information are essential in managing BUMDes, such as planting corn, which requires plowing tools. The website exists, but the Village Government is not involved in its management." (Interview August 13, 2024)

The study's results show that BUMDes Bumiasih's technology and information development have not developed properly. In processing revenue data, BUMDes Bumiasih management has used Ms. Excel and e-mail for correspondence. However, in disseminating information, the management of BUMDes Bumiasih has not used social media as an information medium or promotional medium.

This is different from previous research written by Jusman Iskandar, Engkus, and Fadjar Tri Sakti (2021) with the title "Development Strategies for Village-Owned Enterprises (BUMDes) in Improving the Welfare of Village Communities." The development of BUMDes Maju Abadi, which focuses on iron crafts using technology to popularize its business, is evidenced by the existence of social media managed by the management. Social media is expected to develop the Maju Abadi BUMDes business and increase production and the community's economy.



4. Facilities and Infrastructure

Facilities and infrastructure are important elements in the development of an organization to facilitate its operations. Facilities are used directly, while infrastructure functions as a supporting tool to achieve goals. BUMDes Bumiasih business units are facilities and infrastructure that play an important role in the development of BUMDes, where with the new management is able to make these business units develop significantly. As a maintenance effort, the management of BUMDes Bumiasih routinely controls and receives all forms of complaints related to business unit infrastructure buildings and facilities. The following is a picture of the business units of BUMDes Bumiasih:



Picture 6. Business Units of BUMDes Bumiasih Tropodo Village
(Source: Management of BUMDes Bumiasih)

The development of BUMDes Bumiasih focuses on developing infrastructure facilities other than community welfare, considering that many have not functioned properly. The management of BUMDes Bumiasih maintains facilities and infrastructure independently without involving the Village Government, which only provides capital assistance if needed. One form of capital assistance from the Tropodo Village Government is to repair the front of BUMDes. The following is a statement from the Head of Tropodo Village :

"The Village Government only plays the role of a financier and supervisor in developing the BUMDes. In the maintenance of facilities and infrastructure, we only play the role of informants. Participation in the work is impossible because the BUMDes have managed some of them. But some asked for help from the village, at that time, to rehabilitate the front of BUMDes." (Interview on August 13, 2024)

This is the information provided by Mr. Totok Handoko, the management director of BUMDes Bumiasih, where the funds provided by the village government are operational assistance budgets for infrastructure improvements, separate from capital participation. Budget submissions are only made some years, only if needed. The management of BUMDes Bumiasih must submit the purpose of using the budget to the Village Government. The following is a statement from the Management Director of BUMDes Bumiasih:

"We propose a budget for infrastructure operational assistance for this food court



business unit only when needed, and the funds are not capital participation. We use it to replace water reservoirs, water pumps, toilets, banner poles, and food court support poles when the internal budget of BUMDes is insufficient. The budget for operational assistance for improving the infrastructure of BUMDes Bumiasih is taken from the APBDes for 2023. For 2025, we propose a budget for plantations, including mini tractor engines and suppliers." (Interview on August 15, 2024).

BUMDes Bumiasih has an annual program for the maintenance of facilities and infrastructure. If the budget is limited, management will reduce the budget to ensure that repairs are still made. Under the management of Mr. Totok Handoko, infrastructure maintenance has improved. Here are some pictures of the results of the operational assistance budget:



Picture 7. Results of Improvement of Facilities and Infrastructure of BUMDes Bumiasih
(Source: Management of BUMDes Bumiasih)

The study's results show that BUMDes Bumiasih's management and the Village Government pay great attention to the maintenance of facilities and infrastructure. BUMDes management actively monitors and overcomes damage, while the Village Government is ready to provide a budget for repairs and additions.

This is the same as previous research by Aulia Tafhana Arindhawati & Evy Rahman Utami (2020) entitled "The Impact of the Existence of Village-Owned Enterprises (BUMDes) on Improving Community Welfare (Study on Village-Owned Enterprises (BUMDes) in Ponggok, Logo, Ceper, and Manjungan Villages, Klaten Regency)". The study stated that BUMDes management created various business units and facilities to improve community welfare, with income from these businesses used to improve village facilities and infrastructure. It was repairing village roads, installing Wi-Fi, and building toilets for each house.

5. Conclusion

Based on the above research results, the Village-Owned Enterprise Development Strategy (BUMDes) for Improving the Welfare of the Community of Tropodo Village, Krian District, Sidoarjo Regency, has been quite successful from four indicators. First is human resources; the success of BUMDes Bumiasih is shown by more effective management changes and annual training and evaluation. Second, there are many sources of funds, such as certificates of establishment from the Ministry of Villages, village funds, and operational assistance. Third, technology and information, such as BUMDes Bumiasih, still need to be



better developed. The absence of websites and social media for information and promotion proves this. The management of BUMDes has managed the four facilities and infrastructure well.

Researchers can make some suggestions so that technical guidance for human resources is carried out more often to improve the management of BUMDes Bumiasih and that funds are maintained to achieve the desired development. The Technology and Information Indicator requires good communication between the village government and the management of BUMDes Bumiasih to prevent misunderstandings, and it is necessary to recruit young management members to develop BUMDes technology. In the Facilities and Infrastructure indicator, the management of BUMDes Bumiasih must be maintained to achieve success.

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