

## **VILLAGE OWNED ENTERPRISE DEVELOPMENT STRATEGY IN TALAWAAN DISTRICT, NORTH MINAHASA DISTRICT**

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### **Abstract**

One of the programs of the government of the Republic of Indonesia is advancing villages by disbursing village funds and the Village Owned Enterprise program for each village. Of the 50,199 Bumdes, more than 50% were in suspended animation/failure. Including the Bumdes in Talawaan District, 70% are inactive even though the funds disbursed for the Bumdes are quite large. This study aims to describe the profile and conditions of Bumdes, the factors that influence these conditions and to formulate alternative Bumdes development strategies based on these factors. This research is descriptive qualitative in nature. The object of research is 12 villages in Talawaan District, North Minahasa Regency. Methods of data collection by, interviews, observations, literature studies, questionnaires and documentation. Informants were selected by purposive sampling technique. Data were analyzed by SWOT IFE EFE. Data validity with credibility and triangulation. The results showed the profile and condition of Bumdes in Talawaan District; For business units, 29 are inactive (63.04%) and 17 (36.96%) are active with their respective conditions. The highest growth classification (65.63 points) is for Bumdes Sineksek Warisa and the lowest is for Bumdes Bersehati (27.92 points). The Bumdes in Talawaan District are classified as 'basic' with an average score of 48.45 points. The factors that influence Bumdes are internal factors (9 factors strengths and 28 factors weaknesses). External factors. (opportunity 4 factors and threat 11 factors). The development strategy is an aggressive strategy (growth oriented) by using all strengths and opportunities actively. The results showed the profile and condition of Bumdes in Talawaan District; For business units, 29 are inactive (63.04%) and 17 (36.96%) are active with their respective conditions. The highest growth classification (65.63 points) is for Bumdes Sineksek Warisa and the lowest is for Bumdes Bersehati (27.92 points). The Bumdes in Talawaan District are classified as 'basic' with an average score of 48.45 points. The factors that influence Bumdes are internal factors (9 factors strengths and 28 factors weaknesses). External factors. (opportunity 4 factors and threat 11 factors). The development strategy is an aggressive strategy (growth oriented) by using all strengths and opportunities actively. The results showed the profile and condition of Bumdes in Talawaan District; For business units, 29 are inactive (63.04%) and 17 (36.96%) are active with their respective conditions. The highest growth classification (65.63 points) is for Bumdes Sineksek Warisa and the lowest is for Bumdes Bersehati (27.92 points). The Bumdes in Talawaan District are classified as 'basic' with an average score of 48.45 points. The factors that influence Bumdes are internal factors (9 factors strengths and 28 factors weaknesses). External factors. (opportunity 4 factors and threat 11 factors). The development strategy is an aggressive strategy (growth oriented) by using all strengths and opportunities actively. The highest growth

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**Keywords: Conditions, Internal External Factors, Strategy**

## **INTRODUCTION**

### **Background**

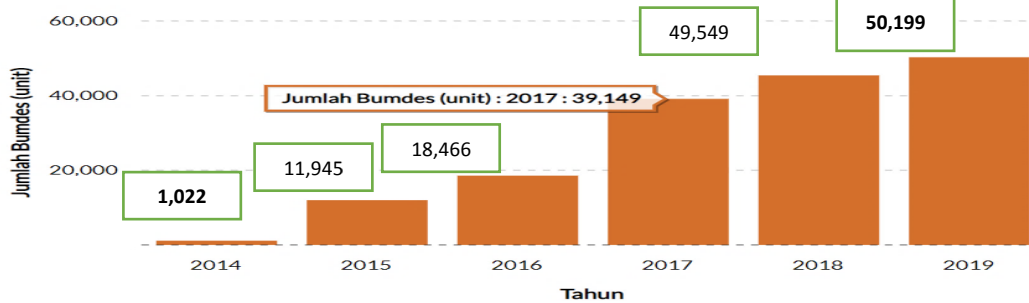
Building Indonesia from the periphery by strengthening regions and villages within the framework of a unitary state with the concept of a people's economy is the third nawacita (priority agenda) of President Jokowi since he was first elected as president of Indonesia in 2014. This aims to realize an Indonesia that has independence in the field of economic, personality, culture and political sovereignty. The development of suburban areas does not only mean for areas that are geographically bordered by neighboring countries, but also for areas/regions that receive less attention and develop people (citizens) who are marginalized and have a weak economy.

According to the Indonesian Central Bureau of Statistics in 2018, the number of villages is 66,048 villages. The number of villages has increased by 17.63% in 9 years since 2011 which only amounted to 3,745 villages. The large number of villages is a big capital for the State of Indonesia to become economically independent, prosperous, sovereign if the villages in Indonesia have independence too. A village that is economically, socially and environmentally independent will not depend entirely on the Indonesian government, even though the government still has obligations to the village according to the mandate of Law Number 6 of 2014. A strong and independent village will be able to build, sustain and prosper all the people in the village. But on the other hand, villages that are weak and not self-sufficient will become a burden for the Indonesian state because they will continue to depend on assistance from the government.

As a serious effort by the government to develop villages and suburban areas (the Universal Village Development Movement), since 2015, Rp. 20 trillion. Village Funds are APBN funds earmarked for Villages which are transferred through the district/city APBD and are prioritized for the implementation of development and empowerment of village communities. The amount of fund allocation for each village is different based on population, poverty rate, area size and level of geographical difficulty (Ministry of Finance of the Republic of Indonesia. 2017. Village Fund Pocket Book).

The use of village funds is prioritized to develop and empower rural communities by improving the quality of life, alleviating poverty and improving the lives of rural communities. One of them is by establishing a Village Owned Enterprise (Bumdes). According to article 87 of Law No. 6 of 2014, Bumdes is a business entity that is established, managed and runs a business in the public sector and/or services in accordance with regulatory provisions. Bumdes is a tool for driving,

managing, realizing village development based on local strengths that creates, forms, and develops superior village products so that there is an increase in the ability of the community to control the village economy for village welfare and independence.



**Figure 1. Number of Bumdes in Indonesia, 2015-2019**

Source : [lokadata.id/data/amount-Bumdes-di-indonesia\(2021\)](http://lokadata.id/data/amount-Bumdes-di-indonesia(2021))

Figure 1 shows that in a span of 5 years, the number of Village-Owned Enterprises (Bumdes) has increased from 1,022 units in 2014 to 50,199 units in 2019. The number of Bumdes which continues to increase every year does not necessarily reduce the poverty rate drastically. Indonesia especially in this covid pandemic situation. The Central Statistics Agency (BPS) stated that around 22 out of 34 provinces in Indonesia experienced an increase in the poverty rate in March 2020, due to the impact of the corona virus pandemic (Covid-19). The number of poor people in urban and rural areas also increased between 7% and 22% [www.sau.com/economy\(2021\)](http://www.sau.com/economy(2021))

The total poor population in Indonesia as of March 2020 reached 26.42 million people, an increase of 1.63 million people (0.56%) compared to September 2019, and an increase of 1.28 million people (0.37%) compared to March 2019. The percentage of poor people in urban areas in March 2020 it was 7.38%. While the percentage of poor people in rural areas is 12.82%. Compared to September 2019, the number of poor people in March 2020 in urban areas increased by 1.3 million people to 11.16 million people. Meanwhile, rural areas increased by 333.9 thousand people to 15.26 million people (table 1).

**Table 1, Percentage of Poor Population by Province September 2019 and March 2020**

Province	Sep'	Mar'20	Province	Mar'20
aceh	15.01	14.99	NTB	13.88
North Sumatra	8.63	8.75	NTT	20.62
West Sumatra	6.29	6.28	West Kalimantan	7.28
Riau	6.90	6.82	Central Kalimantan	4.81
Jambi	7.51	7.58	South Kalimantan	4.47
South Sumatra	12.56	12.66	East Kalimantan	5.91
Bengkulu	14.91	15.03	North Kalimantan	6.49
Lampung	12.30	12.34	North Sulawesi	7.51
Bangka Belitung Islands	4.50	4.53	Central Sulawesi	13.18
Riau islands	5.80	5.92	South Sulawesi	8.56
DKI Jakarta	3.42	4.53	Southeast Sulawesi	11.04
West Java	6.82	7.88	Gorontalo	15.31
Central Java	10.58	11.41	West Sulawesi	10.95
In Yogyakarta	11.44	12.28	Maluku	17.65
East Java	10.20	11.09	North Maluku	6.91
Banten	4.94	5.92	West Papua	21.51
Bali	3.61	3.78	Papuan	28.55

Source : [News sau.com](http://News sau.com) (2019)

Village Business Entities have a role in supporting the government's program, but according to data from the Office of Social Affairs and Village Empowerment of North Minahasa Regency, not all villages have Bumdes. There are only 81 Bumdes spread over 131 villages for 10 Districts or 64.8% and 44 villages do not yet have Bumdes or this figure has increased by 62.96% from 51 Bumdes in 2016 (<http://datin.kemendesa.go.id/>). Of these 81 Bumdes, 27 Bumdes are active, 18 Bumdes are not active and 36 Bumdes have no clear active status, (DinSos and PMD, 2021)

Talawaan District is 1 sub-district in North Minahasa Regency. It has the characteristics of a combination of city and village because of the location of several villages which are directly adjacent to the Municipality of Manado. These combined characteristics make Bumdes development different from one village to another. According to data from the Social Service and PMD (2021), it is recorded that Talawaan District consists of 12 villages and only 10 villages have Bumdes. Out of 10 Bumdes only 3 Bumdes are active (30%) while 7 Bumdes (70%) are inactive (table 2)

**Table 2.**Bumdes in Talawaan District

NO	VILLAGE	BUMDES NAME	TYPE OF BUSINESS	STATUS
1.	Top Panic	Proper	Not recorded	Active
2.	Mapanget	Matuari	Waste processing, Photocopy and ATK	Active
3.	Winetin	Maudits	Savings and Loan	Active
4.	Kolongan	Kaleosan	Savings and Loans, generator rental	Not active
5.	Talawaan	Sir	Tour	Not active
6.	Tumbohon	Dumede	Saprodi, Workshop, Savings and Loans	Not active
7.	Wusa	Lalay	Savings and Loans, Transportation Services	Not active
8.	inheritance	Synexect	Clean water	Not active
9.	Teep	Adelweiss	Food Catering	Not active
10.	benchmark	Matuari	Catering, Tents rental and funeral decorations	Not active
11.	New Village Heritage	-	-	-
12.	New Panic	-	-	-

*Source: Processed from data from the Minut Village Empowerment Service (2021)*

Mapanget sub-district is a sub-district which borders Manado Municipality. Four villages are directly adjacent to Manado, namely Mapanget, Paniki Atas, PanikiBaru and Wusa with population density ranking 4th after Kalawat, South Likupang and Airmadidi Districts. (BPS Minut, 2020). Talawaan is a transitional district between village and city so that it has its own characteristics, geographically, natural resources and social situation. This has resulted in the factors that cause Bumdes to be active or not to vary according to the characteristics of each region/village.

### Research purposes

The purpose of this study was to describe the profile and condition of Bumdes, describe internal and external environmental factors that affect Bumdes, and formulate a Bumdes development strategy based on Bumdes internal and external factors in Talawaan District, North Minahasa Regency.

## LITERATURE REVIEWS

### **Development Strategy Concept**

Porter (1993:13), strategy is about competitive position, about your differences in the eyes of customers, about added value in a number of activities that are different from what competitors do. Strategy is an overall approach related to the implementation of ideas, planning and execution of an activity within a certain period of time. In a good strategy there is team work coordination, has a theme, identifies supporting factors that are in accordance with the principles of implementing ideas rationally, is efficient in funding, and has tactics to achieve goals effectively (Porter, 2008) whereas according to David (2013: 18) strategy is a common means with long-term objectives to be achieved, including geographic expansion, diversification, acquisition, product development, penetration, tightening, divestment, liquidation, and joint ventures. From some of the expert opinions above, it can be concluded that strategy is an effort, plan, ways and means to achieve the future goals of the organization. These tools can be in the form of plans, patterns, actions based on conditions from within and outside the organization.

The Big Indonesian Dictionary, defines the word development as etymologically derived from the word flower which means to become more perfect (about personality, thoughts, knowledge and so on), so development means process, method, deed. Meanwhile, according to the term development means the preparation, implementation, assessment and refinement in an activity

### **Bumdes concept**

Village Owned Enterprises, hereinafter referred to as Bumdes, are legal entities established by villages and/or with villages to manage businesses, utilize assets, develop investment and productivity, provide services, and/or provide other types of businesses for the greatest possible welfare. villagers. This is regulated in Article 1 Paragraph (1) PP No. 11 of 2021 concerning Village Owned Enterprises.

If we look at the sentence in Article 1 paragraph (1) PP No. 21 of 2021 concerning Village Owned Enterprises, Bumdes is a legal entity, meaning that a legal entity is a legal subject created by humans who have legal standing (legal capacity as a human legal entity). *natuurlijkerech*). To be able to say Bumdes is a legal entity because it has separate assets from its owner, in this case the Village, so Bumdes are assets that are separate from the village government for certain purposes. The purpose of Bumdes as regulated in Article 1 paragraph (1) PP No. 11 of 2021 concerning Village-Owned Enterprises is to manage businesses, develop assets, manage investments and productivity, provide services, and or provide other types of businesses for the greatest welfare of the village community. These objectives are described as follows:

1. Carrying out economic business activities through business management, as well as investment development and economic productivity, and Village potential;
2. Carry out public service activities through the provision of goods and/or services as well as meeting the general needs of the Village community, and managing Village food storage;
3. Obtain profit or net profit for increasing the Village's original income and developing the maximum benefit for the economic resources of the Village community;
4. Utilization of Village Assets to create added value to Village Assets; And
5. Developing a digital economic ecosystem in the Village (article 3 PP.No.11.year 2021)

In this study the authors used organizational development process theory where this theory focused on diagnosing needs and strategies for achieving goals, activities. SWOT is used to identify strategic positions, through a matrix to find out the supporting and inhibiting factors for Bumdes in Talawaan District.

### **Previous Research**

The village has a lot of potential that has not been processed, that is why the integration between the potential and conditions of the different villages needs to be considered by analyzing strategies that give rise to Bumdes' competitive advantage depending on organizational management capabilities, community empowerment, capacity and infrastructure of Bumdes and accountability transparency (Susilo and Purnamasari, 2017).

In line with the research of Sofyani et al (2028) that the results indicated that the factors that drive the performance of Bumdes were Bumdes employees' patriotism and passion, skills, training, level of education, experience, honesty (ethical behavior), having a sense of responsibility, sincerity, seriousness, caring for the environment and society, being resilient, cohesiveness of teamwork, transparent communication between Bumdes managers, never-give-up attitude in trying to achieve the performance targets, religiosity, work satisfaction, visionary (transformational) leadership style, and the presence of incentive mechanisms. Supported by Kania's research (2020) that there are 32 indicators tested, 8 new factors are formed as factors that lead to poor management of Bumdes Management, Human Resources, Environmental conditions, Personality.

This research was corroborated by Putri et al (2018) who identified Bumdes problems and developed a strategy which is a solution for Bumdes development. As is also Afifah's research (2019) that the development strategy for MajuBejiharjo Village-Owned Enterprises includes 7 alternative strategies and matrices IE which shows Bumdes Maju Mandiri in quadrant V in conditions of growth and stability (strategies that can be applied are market penetration and product development). External factors; Local economic resources, developments in science and technology, government support, government regulations regarding the establishment of Bumdes, public perception, product price fluctuations, and competition with private credit institutions. Internal factors: access to community capital, village original source of income, village economic institutions, potential productive business units, supporting business units, local regulations, facilities and infrastructure, availability of capital, role of internal supervisors, and role of village apparatus are formulations of Bumdes development strategies in the district Sumbawa. The strategy generated by the TOWS matrix: forming new business units based on the local economy, establishing Bumdes information service centers, establishing integrated marketing centers to encourage productive business units, increasing mentoring capacity, increasing Bumdes supervision, establishing local Bumdes regulations, forming cooperative ties with competing institutions, working with local farmers, and conducting ongoing outreach to the community. (Nurwahidah (2020).

## Research Model

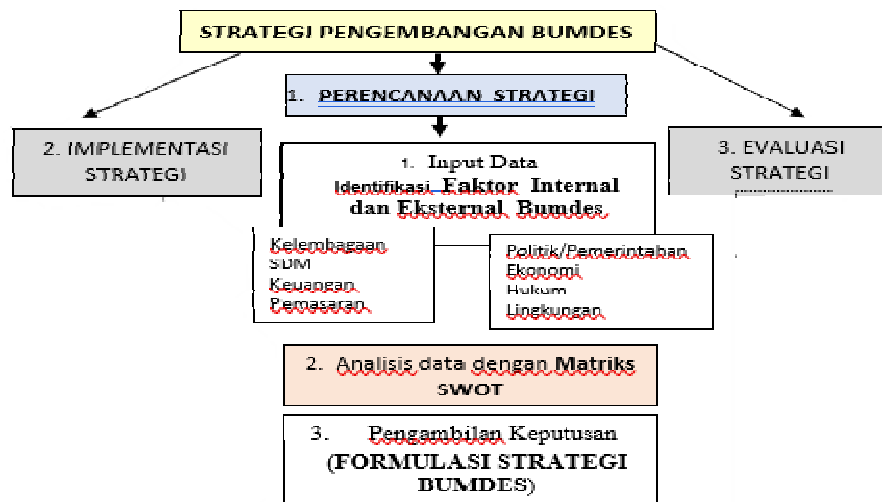


Figure 2 : Research Model  
Source: Author Processed Data (2022)

## RESEARCH METHODS

### Types of research

This study uses a descriptive qualitative approach.

### Location and Place of Research

This research was conducted in Talawaan District, which is a transitional sub-district between villages and cities in North Minahasa District, which is a super priority area for Indonesian tourism in 2020. Talawaan District is directly adjacent to Sam Ratulangi Manado international airport. As a transitional sub-district, it has its own characteristics from other sub-districts. The objects and research locations covered all villages in Talawaan District, namely Village Owned Enterprises (Bumdes) from 12 villages.

### Method of collecting data

1. Interview. According to Sugiono (2014), an interview is a meeting of 2 people to exchange information and ideas which is done through question and answer. The form of this interview is a semi-structured interview conducted freely and in-depth).
2. Questionnaire / Questionnaire. The questionnaire will be administered to informants after the first interview data is processed by the author.
3. Observation / Observation. Researchers indirectly observed the existence of Bumdes when collecting primary data through interviews, questionnaires and visiting Bumdes businesses.
4. Library Studies. The researcher conducted a literature review to find secondary data in the form of theoretical studies and previous research related to the problem under study. Data search is done offline and online.
5. Documentation. The researcher will record the interviews both during the interview and after the interview. Interviews will be recorded to serve as additional documentation and photos/pictures that will complement the research

### **Research Informants and Informant Determination Techniques**

People who provide information about the situation, condition, research background are called research informants. namely Bumdes Management (Chairman/Director/Secretary/Treasurer), decision maker (Village Head/PLT); Those who have influence (community leaders/BPD); District/Regency Government Bumdes Consultant

### **Data analysis**

Analysis of the data obtained in the field, the method used is:

1. Miles and Huberman (Data collection, data reduction, data verification and conclusion). This method is applied to achieve research objectives 1 ; describes the profile and condition of Bumdes in Talawaan District.
2. SWOT analysis of internal and external environment. In formulating strategies based on internal and external environmental analysis. In this case the author uses David's (2016) analytical strategy formulation. At the data input stage using the IFE matrix (Internal factor evaluation) and EFE (External factor evaluation). In the matching stage, the IE (Internal-External) matrix is used which is also useful for determining the position of Bumdes. Followed by the SWOT matrix which aims to determine development strategies that are in accordance with the internal and external environmental conditions of Bumdes in Talawaan District

## **RESEARCH RESULTS AND DISCUSSION**

### **Research result**

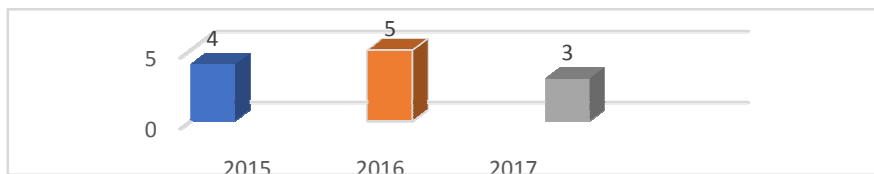
#### **Profile and Condition of Bumdes in Talawaan District**

Talawaan District is bordered by Manado City, Kalawat District and Dimembe District, West Likupang District and Wori District. Talawaan District is one part of the sub-districts in the North Minahasa Regency and has a distance of 15 Kilometers from the Regency Capital. The center of the Talawaan sub-district is in the village of Talawaan. The topographical conditions of Talawaan District are mostly 40% wavy plains, 40% wavy hills, and 20% mountainous hills. Talawaan District has an altitude of 150 meters above sea level with an average air temperature of 22-290C.

As of October 2022 there are 12 villages that are members of the Talawaan District. These villages are: Paniki Atas; New Panic; Mapanget; column; Winetin; Talawaan; Tumbohon; benchmark; Wusa; inheritance; New Village Heritage; Teep. Bumdes was formed for the first time because of the mandate of the Village Law No.6 of 2014 which states that villages can form village-owned enterprises and Permendes PDTT No.4 of 2015 concerning Establishment, Management Arrangement, and Dissolution of Village Owned Enterprises. Bumdes stands hand in hand with granting power/autonomization to villages to carry out village policies and development that aims to prosper village communities.

Bumdes in Talawaan District began to be established in 2015, preceded by 4 Bumdes, namely BumdesDumedeTumbohon, SineksekWarisa, LalayaanWusa and EdelweisTeep. In 2016, 5 Bumdes were also established, namely; BumdesMauditWinetin, KaleosanKolongan, WinawanuaTalawaan (now Tunan), MaleosanMapanget and MatuariPatokaan as well as BumdesBersehati Kampung Baru, PantasPaniki Atas and Arui Paniki Bawah in 2017 (3 Bumdes standing).

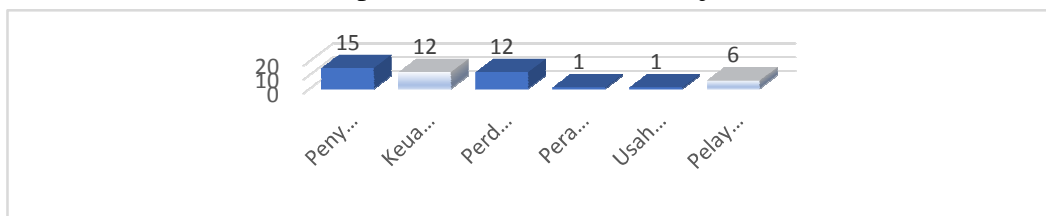




**Figure 3: Year of Establishment of Bumdes in Talawaan District**

Source: Author Processed Data (2022)

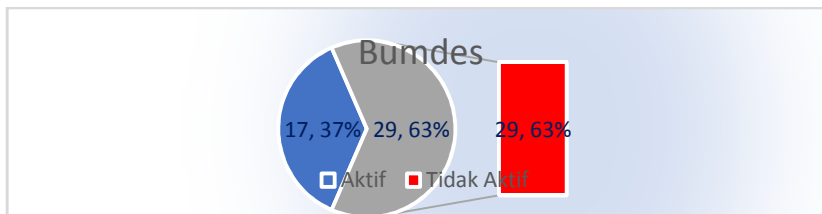
Based on the results of data collection, it was found that in the first management period around 2015 – 2017; Village Owned Enterprises in Talawaan District can be of different Bumdes business groups/clusters. According to field data there are 15 rental units; 12 Finance units; 12 Trading units; 1 intermediate unit; 6 public service units; and 1 joint business unit (tourism).



**Figure 4: Bumdes Business Unit Cluster, Kec. Talawaan**

Source: Processed Data (2022)

All Bumdes in Talawaan District have more than one business unit. The number of Bumdes business units in all sub-districts is 29 business units with 52 business objects. At the beginning of the establishment of Bumdes, all business units were running but several years later they did not work again as expected and even the business units stopped. As shown in table 3, the red numbers represent business units that are no longer running 29 business unit objects. Field data shows that there are 17 active Bumdes business units and 29 inactive business units.

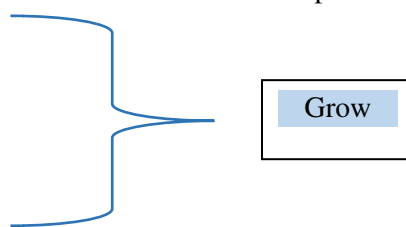



**Figure 5: Condition of Bumdes in Talawaan District**

Source: Processed Data (2023)

The researcher tested the sources and methods at different times in the 2nd data collection. The source test was carried out with different informants with different positions and titles. Triangulation of the method with a questionnaire/questionnaire that was run to informants to test the data obtained in the first data collection. The results obtained are based on the table below, there are 7 Bumdes classified as growing and 5 Bumdes classified as basic. The order of Bumdes scores in points is:

- 1) BumdesSineksek 65.63;
- 2) BumdesMaudit 61.04;
- 3) BumdesDumede57.50 ;
- 4) Bumdes Arui 51.28;
- 5) BumdesTunan 50.63);
- 6) BumdesKaleosan50 ;
- 7) BumdesMaleosan 49.17;



- 8) Bumdes Deserve 48.96 ;
  - 9) BumdesMatuari46.46 ;
  - 10) Bumdes neglect 41.04;
  - 11) BumdesAdelweis 31.88;
  - 12) Bumdes Wholehearted 27.92.
- 

The average score of village-owned enterprises in the Talawaan sub-district is 48.45 points. This value indicates that the Village-Owned Enterprises of Talawaan District are at the basic level.

### Factors Affecting Bumdes in Talawaan District

From the field data, the factors that influence Bumdes in Talawaan District are: internal factors, 4 factors of strength, 28 factors of weakness and externally, 7 factors of opportunities and 28 factors of threats (table).

**Table 4 : Identification of SWOT Factors**

Factors	Sub Factor
<b>Internals</b>	
<b>Strength</b>	
Institutional/organizational	1) The only village-owned enterprise in the village
Human Resources	1) The manager is a villager 2) Managers of productive age 3) Education according to the standards of the Act
Finance	1) Availability of village funds 2) Village Potential (resources) 3) There are Bumdes Assets
Marketing	1) Cheap/competitive prices for village communities 2) Near the village community location
<b>Weaknesses</b>	
Institutional/organization	1) Initial establishment not according to regulation (process and stages) 2) Incomplete establishment documents (Perdes, SK. Kades, ADRT, business review) 3) Incomplete organizational structure 4) No work program 5) Vision and Mission, Bumdes goals are not clear
HR	1) Lack of knowledge, skills, creativity, motivation from Bumdes managers. 2) Managers don't focus on Bumdes 3) Functions are not carried out properly. 4) The manager's salary/income is less 5) Lack of communication 6) Manager's honesty
Finance/Assets	1) Less Capital 2) Low profit 3) Poorly maintained assets 4) Huge repair/maintenance costs 5) The Bumdes office inventory is lacking 6) The Bumdes office is not standard
Administration, Reports, Accountability	1) Incomplete administration 2) Reports and accountability are not routinely carried out
operational	1) Traditional operational system.

	2) There is no Standard Operating Standard (SOP)
Cooperation/Partnership	1) For the most part there is no cooperation. Only 1 Bumdes exists.
Marketing	1) Standard product (goods/service) quality 2) Limited quantity. 3) Village-limited market only 4) Lack of promotion 5) Distribution is traditional
<b>external</b>	
<b>Opportunity</b>	
Law	Rules of Law on Villages and Bumdes
Government/Politics	1) Local government support (programs and facilities) 2) The opening of partnership opportunities with other institutions
Socio-cultural	Community Needs
Economy	Increasing people's purchasing power
<b>Threat</b>	
Law	Regulations for the new BUMDes Law for 2021
Government/Politics	1) Change of village leadership 2) Lack of support/attention from the village head 3) The attention and supervision of the district government is lacking. 4) There is no special supervisory/auditing agency for Bumdes.
Economy	1) Covid pandemic 2) The decline in people's purchasing power
Socio-cultural	1) Public awareness to support Bumdes is lacking 2) Changes in people's lifestyles 3) Urbanization 4) Bumdes has not had a big impact on the village
IT	Network/IT signal is weak
competitors	Similar competitors from outside the village

Source: Author Processed Data (2023)

### Bumdes Development Strategy in Talawaan District

The 9-cell SWOT Matrix Formula for Village-Owned Enterprises in the Talawaan District is shown in the table below:

**Table 5: SWOT Matrix of 9 Bumdes Cells in Talawaan District**

	<u>Strengths</u> (Strength)	<u>Weaknesses</u> (Weakness)
<b>Internal factors</b>	1) The only village-owned enterprise in the village 2) The manager is a villager 3) Managers of productive age	1) The initial establishment was not according to the stages/process 2) Incomplete establishment documents (Perdes, SK Kades, ADRT, business studies) 3) Incomplete organizational structure 4) There is no work plan/program 5) Bumdes Vision, Mission, Goals are not clear 6) Lack of understanding of Bumdes vision and mission

	<p>4) Standard management education</p> <p>5) Availability of village funds</p> <p>6) Village Potential (resources)</p> <p>7) There are Bumdes Assets</p> <p>8) Low/competitive prices for members</p> <p>9) Near resident location</p>	<p>7) Lack of knowledge, skills, creativity. motivation, creativity of Bumdes managers</p> <p>8) Managers don't focus on Bumdes.</p> <p>9) The manager's salary/income is less</p> <p>10) Functions are not carried out properly</p> <p>11) Lack of communication</p> <p>12) Manager's honesty</p> <p>13) Less capital</p> <p>14) Low/non-existent profits</p> <p>15) Poorly maintained assets</p> <p>16) High repair/maintenance costs</p> <p>17) Office inventory is lacking</p> <p>18) The Bumdes office is not standard</p> <p>19) Administration of activities and finances is incomplete</p> <p>20) Accountability report not made/not on time</p> <p>21) Traditional Operational System</p> <p>22) There are no SOPs yet</p> <p>23) Lack of cooperation/partnership</p> <p>24) Average product/service quality</p> <p>25) The quantity of products/services is limited</p> <p>26) Village limited market</p> <p>27) Lack of promotion</p> <p>28) Distribution is traditional</p>
<p><b><u>Opportunities(Opportunity)</u></b></p> <p>1) Rules of Law on Villages and Bumdes</p> <p>2) Central and Regional government support</p> <p>3) The opening of Bumdes partnership opportunities</p> <p>4) Community Needs</p>	<p><b>SO</b></p> <p>1. Creating business units based on village potential and the needs of the village community and its surroundings.</p> <p>2. Take advantage of government programs that support Bumdes</p> <p>3. Partnering with Academics, Business/BUMN, community, Press</p>	<p><b>WO</b></p> <p>1. Improvement of Bumdes organization/institution</p> <p>2. Improvement/Training of Bumdes Organ Resources</p> <p>3. Management Transparency, accountable, cooperative, emancipative, participatory, suitable</p> <p>4. Improving Bumdes marketing mix</p>
<p><b><u>Threats(Threat)</u></b></p> <p>1) The latest Bumdes Law</p> <p>2) Change of village leadership</p> <p>3) Lack of Village Head support</p> <p>4) The covid pandemic and economic recession</p> <p>5) Community</p>	<p><b>st</b></p> <p>1. Strengthen the Bumdes organization as a Legal Entity</p> <p>2. Community involvement in</p>	<p><b>WT</b></p> <p>1. Socialization of the Bumdes Law and the role of Bumdes to improve the welfare of village communities.</p> <p>2. Management and matters related to</p>

awareness/participation is lacking 6) The attention and supervision of the district government is lacking 7) Outside competitors 8) Lack of community support/participation 9) IT 10) There is no special Bumdes audit body yet 11) Less impact on the economy, social community	Bumdes management	Bumdes must be based on the provisions of the law
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*Source: Processed Data (2023)*

## CLOSING

### Conclusion

1. Talawaan Subdistrict has 12 Bumdes which have been established since 2015. 11 Bumdes are in active condition except for the BumdesLalayaan which is being frozen by the Wusa village government. For business units, 29 are inactive (63.04%) and 17 (36.96%) are active with their respective conditions.

The condition for the classification of Bumdes is that 7 Bumdes are classified as growing and 5 Bumdes are classified as basic. The highest growth scores were 1) BumdesSineksek 65.63 points; 2) BumdesMaudit 61.04; 3) BumdesDumede 57.50 ; 4); Bumdes Arui 51.25 ; 5) BumdesTunan 50.63); 6) BumdesKaleosan 50; 7) BumdesMaleosan 49.17; 8) Bumdes Deserve 48.96 ; 9) BumdesMatuari 46.46 ; 10) BumdesLalayan 41.04; 11) BumdesAdelweis 31.88; 12). Bumdes Wholehearted 27.92. The average score of Village Owned Enterprises in Talawaan district is 48.45 (Basic).

2. The factors that influence Village-Owned Enterprises (Bumdes) in Talawaan District are: Internal factors; The strengths are 9 factors (being the only village-owned enterprise in the village, Bumdes managers are villagers, productive age, law standard education, existence of village funds, village potential, Bumdes assets, cheap product prices and close to village community locations). Weaknesses as many as 28 factors, namely: initial establishment process, establishment supporting documents, organizational structure, work program, Bumdes vision/mission/objectives, manager capability and honesty, manager focus, salary/income, implementation of duties and functions, communication, capital, profits, assets, repair/maintenance costs, office inventory, Bumdes office, administration of reports and accountability, operational systems, SOPs, partnerships, product quality, quantity, market, promotion and distribution. External Factors; Opportunities as many as 4 factors, namely: Village and Bumdes Law regulations, government support, open partnerships and community needs. Threats as many as 11 factors, namely: the latest Bumdes Law on Legal Entities, village leadership changes, village head support, the covid pandemic/economic recession, community awareness, district government attention/supervision, competitors outside the village, community participation, IT, Bumdes special audit agency, The impact of the existence of Bumdes.

3. The Bumdes Development Strategy for Talawaan District is an aggressive strategy (growth oriented). Strategies that use strengths and take advantage of opportunities for Bumdes development. This aggression strategy (SO) is the main strategy in addition to other strategies

**OS strategy:**

- 1) Creating business units based on village potential and the needs of the village community and its surroundings
- 2) Utilize government programs that support Bumdes
- 3) Partnering with Academics, SOEs, Community, Press.

**WO Strategy :**

- 1) Organizational/institutional reform of Bumdes in Talawaan District.
- 2) Improvement/training of resources for all Bumdes organs, namely: Advisors, Supervisors, Directors, Secretaries, Treasurers, Operations Managers, Employees/Labor.
- 3) Management of transparency, accountability, cooperation, emancipation, participation, suitable.
- 4) Improving Bumdes marketing mix.

**ST strategy:**

- a) Strengthening the Bumdes organization as a Legal Entity.
- b) Involvement of all figures and elements of society in the management and supervision of Bumdes

**WT Strategy:**

- a) Socialization of the Bumdes Law and the role of Bumdes to improve the welfare of village communities.
- b) Management and matters related to Bumdes must be based on statutory regulations

**Suggestion**

Based on research data, discussion and conclusions, there are several suggestions that can be considered as strategies for developing village-owned enterprises (Bumdes) in Talawaan District, namely:

**Bumdes should:**

1. Creating a business unit based on village potential and the needs of the village community and its surroundings by conducting business studies.
2. Utilize government programs that support Bumdes.
3. Partnering with the Government, Academics, SOEs/entrepreneurs, Communities, and the Press to develop Bumdes.
4. Manage Bumdes in a transparent, accountable, cooperative, emancipatory, participatory, adaptable manner.
5. Improving Bumdes marketing mix.
6. Manage Bumdes based on statutory regulations starting from the HR recruitment process, finance, organization, operations and matters related to Bumdes.

**The Village Government should:**

1. Reforming/revitalizing the Bumdes institutional organization in Talawaan District and registering Bumdes as a legal entity.
2. Involve all figures and elements of society in non-material/material support, management and supervision of Bumdes

**District/District Government should:**

1. Re-socialize the role of Bumdes and its rules to improve the welfare of village communities.
2. Provide resource training for all Bumdes Organs, namely Advisors, Supervisors, Directors, Secretaries, Treasurers, Operational Managers, and Employees/Labor to improve their quality and credibility.

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