The Effectiveness Of Bongohulawa Village Milk Business Agency (Bumdesa) Tilongkabila District

Mohamad Kilat Nur Djali¹, Lisnawaty W. Badu², Dolot Alhasni Bakung³

¹ Faculty of Law, Universitas Negeri Gorontalo, Indonesia. E-mail: mohamadkilatnurdjali96@gmail.com
² Faculty of Law, Universitas Negeri Gorontalo, Indonesia. E-mail: lisnawaty.badu@ung.ac.id
³ Faculty of Law, Universitas Negeri Gorontalo, Indonesia. E-mail: dolot.bakung@ung.ac.id

ARTICLE INFO

Keywords:
Effectiveness; Bumdes, Bongohulawa.

How To Cite:

DOI:

ABSTRACT

This study aims to determine the analysis of the effectiveness of the Village Milk Business Entity (Bumdesa) Bongohulawa, Tilongkabila District, in terms of Article 3 concerning the Establishment, Management, Management and Dissolution of Bumdes and to find out what factors hinder the performance of BUMDES in Bongohulawa Village based on Permendesa No. 4 of 2015 Article 3 concerning the Establishment, Management, Management and Dissolution of Bumdes. The type of research used is empirical normative research. The results showed that the effectiveness of the Village Milk Business Entity (Bumdesa) Bongohulawa, Tilongkabila District, the existence of the Desa Milk Business Entity (Bumdesa) in Bongohulawa Village, Tilongkabila District was not yet effective. The factors that hinder the performance of the Village Milk Business Entity (Bumdesa) in Bongohulawa Village are 1. The Community Factor is Less Proactive, The low interest of the community in getting directly involved in the BUMDes that is not running well. 2. The Human Resources factor, which is owned by Bumdes is still low in education, the average BUMDes staff is a high school/equivalent, so the implementation of BUMDes is not effective. 2. Intervention from the village government always intervenes with the BUMDes management. Intervention is carried out so that residents cannot freely carry out the programs that have been made

@2020 Djali, M.K., Badu, L.W., Bakung, D. A.
Under the license CC BY-SA 4
1. **Introduction**

The constitutional foundations of Indonesia as a state organization since 1945 in the 1945 Constitution have historically undergone a period of change.\(^1\) As a country that adheres to the Civil Law System tradition, in reading the Indonesian legal system, it must depart from the strongest legal hierarchy, namely the constitution embodied in the 1945 Constitution,\(^2\) because it is one of the mandates of the Preamble of the 1945 Constitution as a sublime agreement for the formation of the Indonesian state.\(^3\)

According to Kurniawan, for more than 6 decades, the government has changed or is just a patchwork of national policies on villages. However, from the changes in existing laws, since 1948 (Law No.22 of 1948 concerning the Principles of Regional Government) to 2004 (Law No.32 of 2004 concerning Regional Government), it has not provided guarantees for serious and has high consistency in efforts to build village independence and welfare.\(^4\)

Concerning village government, according to the author, in carrying out development tasks and providing services to the community, they must pay attention to the working partnership relationship in the administration of their government. Village development must be pursued to improve the quality of life and community welfare. One thing that is needed to accelerate the economic growth of rural communities is to establish Village Owned Enterprises (BUMDes).

Wayan Budiarta said that:\(^5\) BUMDes as a social institution sided with the interests of the community through its contribution to the provision of social services. Meanwhile, as a commercial institution, it aims to seek profit through offering local resources (goods and services) to the market. In running its business, the principles of efficiency and effectiveness must always be emphasized.

BUMDes as a legal entity was formed based on the prevailing laws and regulations and following the agreements that were built in the village community. So the form of

---


\(^3\) Alhasni, MR, Badu, LW, & Nggilu, NM (2019). Assessing the Role of the Police in Preventing the Crime of Obscenity Against Minors. JOURNAL OF LEGALITY, 12(2), 110-123, Pg. 111

\(^4\) Tedi Kusuma, 2018, “Formation and Management of the Karya Mandiri Sejati Bumdes (Case Study in Sidoasri Balau Village, Candipuro District, South Lampung Regency)”, Thesis: Faculty of Social and Political Sciences, University of Lampung, p. 1

BUMDes can vary in every village in Indonesia. This variety of forms is following the local characteristics, potentials, and resources of each village.6

Concerning this Village-Owned Enterprise (BUMDes), Solekhan stated that considering the large role of Village-Owned Enterprises (BUMDes) in providing alternatives to several mentoring programs and grants, it is necessary to have a good management concept including:

1. BUMDes management must be open and can be known by the community.
2. BUMDes management must be accountable to the village community by following the applicable rules and regulations.
3. The village community is actively involved in the planning, implementation, monitoring process.

And the management of BUMDes must provide sustainable results and benefits for community members.7

In article 3 of the Permendesa PDTT Number 4 of 2015 concerning the Establishment, Management, and Management, and the dissolution of Village-Owned Enterprises, the objectives of the establishment of Village-Owned Enterprises BUM Desa are as follows:

1. Improving the Village economy;
2. Optimizing Village assets to be useful for Village welfare;
3. Improving community efforts in managing the village's economic potential;
4. Develop a business cooperation plan between villages and/or with third parties;
5. Creating market opportunities and networks that support the public service needs of citizens;
6. Open job opportunities;
7. Improving the welfare of the community through the improvement of public services, growth, and equity of the Village economy; and
8. Increase village community income and village original income

The role of BUMDes in implementing village governance and empowering rural communities based on community initiatives serves to stimulate, facilitate and protect and empower the economic welfare of rural communities. When reflecting on the role of village government in the implementation of community empowerment programs so far, BUMDes is expected to be a revitalization of the role of village governments in local economic development/community empowerment.

6 Ibid.
This research activity is to observe and observe the performance of the BUMDes itself, including the BUMDes management process that has been implemented so that it can be seen whether the performance is going well and can achieve the right goals and objectives. Therefore, researchers are interested in researching with the title Milk Village Business Entity Effectiveness (Bumdesa) Bongohulawa, Tilongkabila District (A review based on Permendesa No. 4 of 2015 Article 3 concerning the Establishment, Management, Management and Dissolution of Bumdes). This research was made to answer questions related to this research. This research was made to answer questions related to how effective the Village Milk Business Entity (Bumdesa) Bongohulawa, Tilongkabila District is reviewed in Article 3 concerning the Establishment, Management, Management and Dissolution of Bumdes and related to what factors hinder the performance of BUMDES in Bongohulawa Village based on Permendesa No. 4 of 2015 Article 3 concerning the Establishment, Management, Management and Dissolution of Bumdes.

2. Method

The type of research used is empirical legal research, which means reviewing the conditions and problems that exist in the field concerning the legal aspects that apply and regulate these problems. The approach method used in this research is a sociological juridical approach. The sociological juridical approach is to identify and conceptualize law as a real and functional social institution in a real-life system. The sociological juridical approach emphasizes research that aims to obtain legal knowledge empirically by going directly to the object of research.8

3. Effectiveness of the Village Milk Business Entity (Bumdesa) Bongohulawa, Tilongkabila District

The implementation of development must place the village as the subject of steady development, covering all aspects of human potential (HR), natural resources (SDA), and technology, as well as covering all aspects of life and livelihood in rural areas, continuously, stratified and sustainable. The obstacle that will be faced is the capacity and credibility of village officials to realize the BUMDes. How are they able to do it, while BUMD-BUMD is managed by relatively better human resources, the results are still far from expectations.

According to Article 107 paragraph (1) letter (a) of Law Number 22 of 1999 it is stated that one of the sources of village income is original village income which includes: 1) village business results; 2) village wealth; 3) results of self-help and participation; 4) the

---

results of cooperation; and 5) other legitimate villages original income. The explanation of Article 107 paragraph (1) states that the empowerment of village potentials in increasing village income is carried out, among others, by the establishment of Village-Owned Enterprises, in collaboration with other parties.

Effectiveness is the level of success in achieving goals. Effectiveness is a measurement in the sense of achieving predetermined goals or objectives. When you want to know the extent of the effectiveness of a rule of law, what must be considered is the extent to which the law is obeyed by most of the targets who are the target of its obedience.

So, to find out how effective the existence of the Bongohulawa Milk Village Business Entity (Bumdesa) in Tilongkabila District, what must be considered is the extent to which the objectives of the BUMDes are implemented, this is clearly stated in the Regulation of the Ministry of Villages, Development of Disadvantaged Regions, and Transmigration Number 4 of 2015 concerning Establishment Article 3 of the Village-Owned Enterprises, Management, and dissolution of Village-Owned Enterprises explains that the objectives of the Village-Owned Enterprises BUM Desa are as follows:

1. Improving the Village economy
2. Optimizing Village assets to be useful for Village welfare;
3. Improving community efforts in managing the village's economic potential;
4. Develop a business cooperation plan between villages and/or with third parties;
5. Creating market opportunities and networks that support the public service needs of citizens;
6. Open job opportunities;
7. Improving the welfare of the community through the improvement of public services, growth, and equity of the Village economy; and
8. Increase village community income and village original income

For the existence of BUMDes to run properly and effectively, there are several principles for managing BUMDes, namely:9

1. Cooperative Principle
   The principle of cooperative management is defined as a component involved in BUMDes that must be able to carry out good cooperation for the development and survival of its business. The components in question are the village government,

---

9 Afifa Rachmanda Filya, "Optimizing the Management of Village-Owned Enterprises (Bumdes) in Improving Pades in Bojonegoro District, Bojonegoro Regency, East Java Province (Case Study in Sukorejo Village, Bojonegoro District". Institute of Domestic Administration. Vol. 5, No.1.2018
BPD, and the community.

2. Participatory Principle
   All components involved in BUMDes must be willing to volunteer or be asked to provide support and contributions that can encourage the progress of BUMDes business.

3. Emancipatory Principle
   Emancipatory means that all components involved in BUMDes must be treated equally regardless of class, ethnicity, and religion.

4. Transparent Principle
   Activities that affect the interests of the general public must be known by all levels of society easily and openly. In carrying out its business activities, BUMDes must be willing to provide information about BUMDes and not make it difficult to obtain such information, so it is necessary to design information systems and other activities that are related to the interests of the general public.

5. Accountability Principle
   All business activities must be accountable both technically and administratively. Every business activity carried out by BUMDes must be accounted for to maintain the principle of accountability. Usually in the form of an accountability report submitted every period by the BUMDes manager

6. Sustainable Principle
   Business activities must be developed and preserved by the community in the BUMDes container. To be able to survive in business competition, BUMDes must continue to innovate and maintain the quality of its business, which is assisted by all components of BUMDes

4. Factors that hinder the performance of the Village Milk Business Entity (Bumdesa) in Bongohulawa Village

According to Handaanti (Abdul Rohman, 2018:381), Village-Owned Enterprises (BUMDes) are village business institutions managed by the community and village government to strengthen the village economy and are formed based on the needs and potential of the village.

Village-Owned Enterprises (BUMDes) were established based on the provisions of Law No. 6/2014 concerning Villages, PP No. 60/2014 concerning village funds sourced from the APBN and Permendesa PDTT No. 4/2015 concerning establishment, supervision, management, and disbandment. BUMDes. The establishment of BUMDes is intended as an effort to accommodate all activities in the economic sector and/or public services managed by the village and/or inter-village cooperation.

According to Suharyono Soemarwoto (2018:22) said that BUMDes aims to:

1. Improving the village economy
2. Optimizing village assets to be useful for village welfare
3. Improving community efforts in managing the village's economic potential
4. Develop a business cooperation plan between villages and/or with third parties
5. Creating market opportunities and networks that support the public service needs of citizens
6. Open jobs
7. Improving the welfare of the community through the improvement of public services, growth, and equity of the village economy, and
8. Increase village community income and village original income

Law Number 32 of 2004 concerning Regional Government, villages can establish business entities following the potential and needs of the village. It is also explained in Government Regulation Number 72 of 2005 concerning Villages that to increase village and community income, the village government can establish Village-Owned Enterprises following the needs and potential of the village.

This means that the formation of BUMDes is based on the needs, potential, and capacity of the village, as an effort to improve community welfare. The planning and establishment of BUMDes are at the initiative of the village community.

BUMDes was established based on the needs and potential of the village which was an initiative of the village community. This means that the business that will be realized in the future is extracted from the desire and desire to create progress in the village community.

The results of Meigawati's research (2018) explain that it shows that the implementation of the BUMDes program has not been going well. The inhibiting factors are the lack of human and financial resources and the weak socialization of the BUMDes Program to the community. The supporting factors are the existence of community participation in participating in the BUMDes program through savings and loan activities.

This statement is reinforced by the results of Ibrahim and Sutarna's research (2018) explaining that BUMDES in rural gold mining areas has not been successful in improving community welfare from existing BUMDES program units. BUMDES Gold mining areas have advantages, namely: a) easy access to finance and b) improvement of the household economy. Weaknesses: a) Human resources manager and b) low business plan.

4.1. Community Factors Less Proactive

Village autonomy is an opportunity for the village to develop the village according to its potential. The existence of BUMDes as an instrument in improving welfare by involving the community in management. The low interest of the community in going directly to
the BUMDes business, thus hampering the performance of the Village Owned Enterprises itself, as stated by the resource person Djafar Mo'o Head of Village BUMDes, Bongo Hulawa in his interview said that the community in the village was not interested in the activities of the BUMDes (Village Owned Enterprises) so that several BUMDes-owned programs did not go well.10

The village government also feels that the community is less active in managing BUMDes, which if in gathering residents for meetings related to BUMDes (Village Owned Enterprises) it is almost difficult to gather residents, this is following the narrative of Mr. Iwan Nusi, the Village Head of Bongohulawa that, to gather residents in a meeting forum to discuss BUMDes (Village Owned Enterprises) who attended were sometimes only from the village government and from the BUMDes management (Village Owned Enterprises) itself.11

The village government also feels that the community is less active in managing BUMDes, which if in gathering residents for meetings related to BUMDes (Village Owned Enterprises) it is almost difficult to gather residents, this is following the narrative of Mr. Iwan Nusi, the Village Head of Bongohulawa that, to gather residents in a meeting forum to discuss BUMDes (Village Owned Enterprises) who attended were sometimes only from the village government and from the BUMDes management (Village Owned Enterprises) itself.12

However, another reason was also expressed by one of the resource persons in Santo Hulopi. Residents of Bongohulawa Village in his interview said that the reason they were no longer interested in the meetings or meetings held was related to the discussion of BUMDes (Village Owned Enterprises) is that they see that BUMDes (Village Owned Enterprises) has been used as a field for village officials, according to him, it can be seen from several BUMDes programs (Village Owned Enterprises) whose program is not pro to farmers, instead, it is pro to village officials, even though residents have suggested several times for the allocation of BUMDes (Village Owned Enterprises) partly to open a shop that sells agricultural materials such as fertilizer, corn seeds, and others so that residents there no longer buy materials elsewhere which are relatively expensive. He added that the selfish attitude of the village government made residents no longer interested in participating in meetings organized by the village government and BUMDes administrators (Village Owned Enterprises).13

These problems make the community no longer interested in BUMDes activities (Village

10 Djafar Mo'o with the Speaker of the Village BUMDes Head, BongoHulawa, June 12, 2020
11 Interview with Resource Person Iwan Nusi S.Ap, Head of BongoHulawa Village, June 12, 2020
12 Interview with Resource Person Iwan Nusi S.Ap, Head of BongoHulawa Village, June 12, 2020
13 Interview with Resource Person Santo Hulopi, Villager of Bongo Hulawa, June 12, 2020
Owned Enterprises). Even though the role of citizens in the formation of BUMDes is very necessary, this is so that the purpose of establishing BUMDes is true with the economic needs of the village and village democratization, these stages include:

1. Socialization about BUMDes to the community
   Socialization initiatives to village communities can be carried out by the village government, BPD, KPMD, either directly or in collaboration with village assistants based in the sub-district, technical assistants based in the district, and third party assistants (NGOs, universities, community organizations, or companies). This socialization step aims to make village communities and village institutions understand what BUMDes is, the purpose of establishing BUMDes, the benefits of establishing BUMDes and so on. All facilitators and KPMDs made innovative-progressive efforts in convincing the community that BUMDes would provide benefits to the village.

2. Implementation of the Village Deliberation
   A village meeting or referred to by another name is a deliberation between the BPD, the village government, and elements of the community organized by the BPD to agree on strategic matters. Practically, village deliberations are held by the BPD, which is facilitated by the village government. The establishment of BUMDes was agreed upon through village deliberations, as regulated in the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration concerning guidelines for rules and decision-making mechanisms at village deliberations, with the topics discussed in village deliberations including:

   a. Village potential developed through business or business management.
   b. Determine alternative designs on business units and classification of business types. The proposed business unit can be a legal entity (PT. and LKM) or not a legal entity.
   c. Determine the BUMDes manager including the management structure (organizational structure and name of the board). The organizational structure becomes a substantive part of the village regulation regarding the establishment of BUMDes.
   d. Designing the basic budget and by-laws of BUMDes. The AD/ART is discussed in the village meeting and the results of the AD/ART text are determined by the village head as regulated in Article 136 Paragraph 5 of the Village Regulation.

The results of the Village deliberation agreement become guidelines for the Village Government and the Village Consultative Body to establish Village Regulations regarding the establishment of BUMDes.
4.2. Human Resource Factor

We all know that the conditions that must be met in the formation of Village Owned Enterprises (BUMDes) are based on village regulations regarding the establishment of BUMDes by considering:

1) Village government and/or village community initiatives
2) Village economic business potential
3) Natural resources in the village
4) Human resources capable of managing BUMDes and,
5) Capital participation from the village government in the form of financing and village assets that are submitted to be managed as part of the BUMDes business

In achieving goals, the success achieved by an organization depends on its ability to obtain and utilize scarce and valuable resources as efficiently as possible in its pursuit of the objectives of its operations and activities. In the management of village-owned enterprises based on the people of the village community to realize the achievement of goals in the organization, the village community also needs quality human resources from the village community to understand and understand the rules and management of management.

Based on the results of interviews with resource person Nignsih Ben Bata, Secretary of Bongohulawa Village Secretary of Bongo Hulawa Village in his interview he revealed that the management of business entities owned by Bongo Hulawa village, Tilongkabila District was the result of deliberation by all village communities but they were well aware that their human resources, especially BUMDes management, were not following with what is needed because of the lack of competence possessed by each BUMDes management.¹⁴

The existence of BUMDes for rural communities is to increase the productivity of rural communities through business units and the productive potential of the community's economy. In the process of program preparation and budget allocation, BUMDes must be more sensitive to this problem, accommodating the needs and potentials of the village is part of creating sustainable economic competitiveness for the community. democratically, 90% of the majority of the people of Bongo Hulawa work as farmers, this is supported by the natural potential they have. As corn farmers, of course, the community will be faced with the planting season and the price range is based on the product produced. The problems that surround the community until now are unstable corn prices, This condition is then used by the middlemen to pay the price amid the

---

¹⁴ Interview with Resource Person Nignsih Ben Bata, Secretary of Bongo Hulawa Village, June 12, 2020

economic crush and urgent needs. As a result, the price received by the community is much different from the price on the market.

Referring to the potential of the village and the economic units of the community, like BUMDes, it is more concentrated on product development patterns that are following the needs of the community. BUMDes must facilitate and provide facilities to the community. However, up to now, BUMDes in Bongo Hulawa village have only concentrated on refilling water depots and LPG cylinders. As a village-owned business entity, it is appropriate to provide production arrangements such as seeds, shelters for both corn and palm sugar farmers and provide price facilities according to market prices to be able to protect the community's economy and create available production competitiveness towards a new productive economic order for village residents. Bongo Hulawa.

Therefore, human resources owned by the community, especially the BUMDes management, are very important, this is done so that the effectiveness of the management of village-owned enterprises based on the people of the Bongo Hulawa community can be carried out optimally, the organization must overcome obstacles that can hinder the achievement of goals and look for the best alternative. to optimally achieve organizational goals. Then is the management of Village Owned Enterprises efficient.

This can be seen from the lack of human resources in the village community who can carry out financial management and management, and the village community also lacks information about the formation of BUMDes. The human resources owned by the business entity owned by Bongo Hulawa Village consist of 6 administrators, 2 supervisors, and 4 staff/executors, while the average education is High School/Equivalent. This is as stated by the resource person, Mr. Djafar Mo'o, chairman of BUMDes Bongo Hulawa Village in his interview said that the number of staff-owned by BUMDes consists of six administrators, two supervisors, and four staff, while according to him the average education of BUMDes staff is High School/Equivalent.15

To address problems related to the lack of Human Resources (HR) in the village of Bongo Hulawa according to the results of interviews with resource persons Nignsih Ben Bata, the Secretary of Bongo Hulawa Village he said that the village government would conduct training for all BUMDes staff this was done as an effort to create resources be optimal.16

According to Sedarmayanti in his book entitled Management of Human Resources, Bureaucratic Reform and Management, he revealed that the purpose of developing Human Resources is an effort to reduce and eliminate the gap between the capabilities of

---

15 Djafar Mo'o with the Head of BUMDes in Bongo Hulawa Village, June 12, 2020
16 Interview with Resource Person Nignsih Ben Bata, Secretary of Bongo Hulawa Village, June 2020
Human Resources and those desired by the organization. From the description above, it can be explained that the efforts that must be made to create optimal human resources in an organization are through education and training.

4.3 Government Intervention

Villages as part of the territory of a district have genuine autonomy. Even within the limits of the original autonomy, the village can build the capacity of economic resources through BUMDes and utilize the natural resources that exist in the village. However, these efforts have not yielded satisfactory results as desired together. One of the influencing factors is that government intervention is too large, as a result, it inhibits the creativity and innovation of rural communities in managing and running the economic engine in rural areas. Economic institutional systems and mechanisms in rural areas do not work effectively and have implications for dependence on government assistance so that it kills the spirit of independence. Based on this assumption, the existence of the village should get serious attention from the central government with the birth of policies related to economic empowerment carried out by collecting and institutionalizing community economic activities. BUMDES was born as a new approach to improve the village economy based on the needs and potential of the village. BUMDES management is fully implemented by the village community, namely from the village, by the village, and for the village.

The high level of intervention from the village government in every program carried out by the BUMDes management, as revealed by the BUMDes administrator of Bongo Hulawa Village in his interview, said that the Bongo Hulawa village government always intervened with the BUMDes management. has been made, the identical village government provides advice on what programs are carried out by BUMDes and must be following the wishes of the village government.

In addition, according to the results of interviews with informants, it was stated that the intervention carried out by the village government was not only in matters of the BUMDes program but also BUMDes funds were always difficult by the village government.  

5. Conclusion

The effectiveness of the Village Milk Business Entity (Bumdesa) Bongohulawa, Tilongkabila District, the existence of the Village-Owned Enterprise (Bumdesa) in

---

18 Lukman Abjul Resource Person for Village BUMDes Secretary, Bongo Hulawa, June 12, 2020
Bongohulawa Village, Tilongkabila District has not been effective, while the factors that hinder the performance of the Village Milk Business Entity (Bumdesa) in Bongohulawa Village are 1. community factors are less proactive, the low interest of the community in getting directly involved in the BUMDes business thus hampering the performance of the Village Owned Enterprises itself so that several BUMDes-owned programs are not running well. 2. human resource factor, the number of the staff consists of six administrators, two supervisors, and four staff, while according to him the average education of BUMDes staff is high school/equivalent, so the implementation of BUMDes is not effective. 2. The intervention from the government of the village government of Bongohulawa always intervenes with the BUMDes management. Intervention is carried out so that residents cannot freely carry out the programs that have been made, the village government is identical to providing advice on what programs are carried out by BUMDes and must be following the wishes of the village government. In addition, the expenditure of BUMDes funds is always difficult by the village government.

References

Book:

Mukti Fajar, 2013, Normative & Empirical Legal Research Dualism, (Yogyakarta: Student Library)

Journal article:

Afifa Rachmanda Filya, "Optimizing the Management of Village-Owned Enterprises (Bumdes) in Improving Pades in Bojonegoro District, Bojonegoro Regency, East Java Province (Case Study In Sukorejo Village, Bojonegoro District". Institute of Domestic Administration. Vol. 5, No. 1. 2018


Tedi Kusuma, 2018, “Formation and Management of the Karya Mandiri Sejati Bumdes (Case Study in Sidoasri Balau Village, Candipuro District, South Lampung Regency)”, Thesis: Faculty of Social and Political Sciences, University of Lampung.

Valentine Queen Chintary and Asih Widi Lestari, 2016, The Role of Village Governments in Managing Village Owned Enterprises (Bumdes), (Journal : Social and Political Sciences, Vol. 5, No. 2)