

## The Role of Regional Government in the Empowerment of Communities through Village-Owned Enterprises in North Lombok Regency



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**ABSTRACT:** The existence of Village-Owned Enterprises (BUMDes) in North Lombok Regency has not been optimal in empowering the community to support economic welfare. This is due to various challenges faced in the implementation of empowerment by regional govermet through the P2KBPM (Population Control, Family Planning, Community Empowerment, and Village) Office. This study aims to identify the role of the P2KBPM Office in economic empowerment through BUMDes, as well as the challenges encountered during the empowerment process. The research employs a qualitative approach, with data collection carried out through observation, interviews, and documentation. The results show that the P2KBPM Office empowers BUMDes through four main approaches: Human Resources Development (human resource development through management training and financial reporting), institutional development (institutional strengthening and evaluation meetings), business development (commodity selection, feasibility studies, and entrepreneurship development based on local advantages), environmental development (environmental development, which has not been implemented due to budget constraints), as well as Technology and Information Development. The challenges in empowering BUMDes include budget limitations and a lack of human resources, which hinder the optimal implementation of programs. The P2KBPM Office is expected to seek additional funding sources from the central and provincial governments, or through cooperation with private sectors, and to conduct further studies on other factors such as village budgets, inter-village cooperation, institutional development, and other relevant variables.

**KEYWORDS:** Regional Development; Empowerment; Village-Owned Enterprises.

### I. INTRODUCTION

Law No. 6/2014 on the Village, makes the village an important part of development, namely making the village the spearhead of development, which in turn is expected to have an impact on improving community welfare and alleviating poverty, especially in the village. The village has also been given the opportunity to carry out decentralisation tasks mandated by the national government, as well as the authority to regulate and manage its own government based on local community initiatives. In order to encourage the growth and development of the village economy and realise village independence, villages are expected to form a business entity in the village, namely Village-Owned Enterprises or BUMDes (Hilmawan et al., 2023).

BUMDes is a village business institution with a legal entity managed by the community and village government. The establishment of BUMDes is an effort to strengthen the village economy and build community social cohesion based on the needs and potential of the village (Wijaya, 2019). Based on Law No. 6/2014 on the Village, it is explained that BUMDes is formed by the Village Government to utilise all the potential of the economy, economic institutions, as well as the potential of natural resources and human resources in order to improve the welfare of the village community whose existence specifically cannot be equated with legal entities such as limited liability companies, CVs or cooperatives. Therefore, BUMDes is a village characterised business entity that in the implementation of its activities in addition to assisting the administration of the village government, also to meet the needs of the village community and can also carry out service functions, trade, and other economic development. (*Undang-undang Nomor 6 Tahun 2014 tentang Desa*).

The role of BUMDes in the implementation of village governance and community empowerment based on community initiatives serves to stimulate, facilitate and to empower the community to realise the economic welfare of rural communities (Srirejeki, 2018). When reflecting on the role of village governments in implementing community empowerment programs so far,

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BUMDes is expected to revitalise the role of village governments in local economic development and community empowerment (Arifin et al., 2020). This the existence of BUMDes is very strategic as a village-owned economic institution, it will be able to contribute to increasing the village's original source of income (Wijaya, et al., 2020). This is consistent with the purpose of establishing BUMDes according to Government Regulation Number 11/2021 on BUMDes, one of which aims to obtain net profit or profit for increasing village revenue and developing the maximum benefit of village economic resources.

BUMDes has a very strategic position in driving the community economy in the village, creating jobs, absorbing and distributing local village business products, which in turn will increase the income of the village community (Saputra, 2017). The types of businesses that can be developed by BUMDes consist of three sectors, namely the service sector. The first is financial services such as financial savings and loans, freight transport services, rental, village tourism, village market management. Second, the real sector includes business units for the distribution of production raw materials, marketing businesses, and processing business units such as processing agricultural products, fisheries, livestock, handicrafts and the provision of production raw materials for village community members. The Third is the business coaching and assistance service sector, which is intended to improve the quality of production and business management carried out by village communities, including providing guidance on improving business technical capabilities, such as training in technological innovation, marketing innovation, providing guidance on improving financial management, business management, providing market information, technology, and information related to businesses carried out by the community and facilitating community members who will start new businesses or develop existing businesses (Suparji, 2019).

The important role of BUMDes in supporting the village economy, this study will further analyse the role of local government through the P2KBPMB Office in empowering communities through BUMDes in North Lombok Regency. North Lombok Regency which consists of 5 sub-districts with 43 villages has BUMDes with the condition of BUMDes development in North Lombok Regency varying between each village. there are BUMDes that are active or healthy, BUMDes that are less active or moderate and there are also many BUMDes that are inactive or stuck in their management (*Dinas P2KBPMB Lombok Utara*).

Based on data on the development of BUMDes in North Lombok Regency recorded at the P2KBPMB Office of North Lombok Regency, it is known that there are 17 villages or 39.53 per cent of BUMDes that are not active, 11 villages or 25.58 per cent are less active and 15 villages or 34.88 per cent are active. The data illustrates that there are still many villages whose BUMDes are not active and the management of their BUMDes has not been running as intended by the Regional Government. (North Lombok P2KBPMB Office). Various types of businesses carried out by BUMDes in North Lombok include moving in the financial savings and loan business sector or microfinance institutions, namely BUMDes businesses that provide financial assistance to micro-business actors or local village-scale bakulan traders, businesses based on the economic potential of natural resources in the village including village tourism businesses or tourism villages that manage the natural potential of each village, village drinking water businesses or village PAM and rental of village sports infrastructure (Rahayu et al., 2023). Another BUMDes business is also engaged in the sector of buying and selling basic needs of the village community or village convenience stores, where the BUMDes provides all types of basic needs of the community including providing building shop goods or materials. (*Dinas P2KBPMB Lombok Utara*)

While the number and types of BUMDes businesses in North Lombok Regency are quite diverse, the reality is that the existence of BUMDes has not been able to significantly improve community welfare. Based on data from BPS in the report (North Lombok Dalam Angka 2024,) the poverty rate in North Lombok Regency is still the highest in West Nusa Tenggara Province, with a rate of 25.80 per cent in 2023. Of this number, 1,048 family heads are categorised as the extreme poor, the majority of which are workers as farmers, casual labourers, or even do not have a job and are still unemployed (*Dinas Sosial Kabupaten Lombok Utara, 2023*).

Based on these data, in reality, such as the case in North Lombok, it is still found that the existence of BUMDes has not been able to contribute to the welfare of the community through the business units it has built. Research by Putra (2020) related to the role of BUMDes Tandung in improving the economy of rural communities suggests that BUMDes has not been able to have an effect in improving the community's economy. this is because the management of BUMDes has not been maximised due to the limited knowledge and abilities of human resources in BUMDes, so training needs to be held in order to be able to manage every potential in carrying out community business activities. (Fitriani et al., 2024).

Monica (2018) suggests several problems faced by BUMDes in the implementation of village community empowerment, including, among others, village or village officials who are not very enthusiastic about the formation of BUMDes, human resources who do not understand the substance of the Village law, business units are not developing, and infrastructure facilities have not

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been supported. Several other problems in BUMDes management include the lack of capital, the lack of skills of villagers in managing BUMDes, the low level of community participation and the lack of knowledge about BUMDes. (Albilal et al. 2020).

Community empowerment efforts require an implementation strategy with concrete steps to successfully achieve its goals. Community empowerment needs to be placed in the right direction, namely aimed at increasing community capacity (capacity, building) which provides access and improvement of the people's economy through economic development, strengthening human resource capacity, developing infrastructure and technology, developing community development institutions and apparatus and developing information systems (Maryani, 2019). In the context of community empowerment, the function of the Regional Government in the context of empowering BUMDes must continue to be improved.

In practice, BUMDes still cannot run optimally to overcome community welfare problems, so to overcome this problem, the North Lombok Regency Regional Government through the Population Control, Family Planning, Community and Village Empowerment Service is tasked with one of them to provide guidance to villages in the context of empowering village communities through empowering Village-Owned Enterprises or BUMDes. Based on North Lombok Regent Regulation Number 17/2021 concerning Position, Organisation Structure, Duties and Functions and Work Procedures of Regional Offices within North Lombok Regency, it is stated that one of the tasks of the Population Control, Family Planning, Community Empowerment and Village Services through the Community Empowerment Division is to carry out guidance and empowerment of BUMDes and inter-village cooperation institutions. Therefore, the successful development of BUMDes in North Lombok Regency is also inherent in the responsibility of the BUMDes coach, namely through the role of the Population Control, Family Planning, Community and Village Empowerment (P2KBPMO) Office.

Many efforts have been made by the Office of Population Control Family Planning Community and Village Empowerment, village assistants, sub-districts and villages in order to encourage the growth and development of BUMDes in North Lombok Regency, however the role of the P2KBPMO Office which strategically oversees guidance and supervision to the Village including the use of Village Funds is needed both in the formulation of policies in the form of regulations governing Villages and BUMDes, capacity building of BUMDes administrators, funding interventions and or other BUMDes development actions. The Regional Government through the P2KBPMO Office through its authority as a Village Facilitator can issue regulations that require village investment for BUMDes, policies to encourage the use of local products from BUMDes, increase the capacity of BUMDes administrators, coordinate inter-village cooperation, Village cooperation with outside businesses or investors, intervene in financial assistance to Villages, intervene in village infrastructure development programs, encourage the synergy of all parties, be it the Regency Government, Sub-district Government, Village Government, Village facilitators or non-profit or private organizations to jointly encourage the growth and development of Village businesses and various other strategic policies.

Based on these conditions, the researcher is interested in conducting research to analyse the role of the Population Control Family Planning, Community and Village Empowerment (P2KBPMO) Office in carrying out community empowerment through BUMDes empowerment in North Lombok Regency. So the purpose of the research is to analyse the role of local government through the P2KBPMO Office in carrying out community empowerment through BUMDes empowerment in North Lombok Regency.

## **II. RESEARCH METHOD**

The type of research used is qualitative research. Qualitative research is a research method that collects and analyses data in the form of words (oral or written) and actions of human behaviour and researchers do not try to calculate or quantify the qualitative data that has been obtained and thus do not analyse numbers. Numbers in qualitative research are only used as supporting arguments, or research reports (Afrizal, 2014). Therefore, this research seeks to describe and describe systematically the facts and problems encountered in the field, namely related to the role of regional government through the P2KBPMO Office in empowering BUMDes in North Lombok Regency. The data sources in this study come from primary and secondary data. Data collection techniques using observation, interviews and documentation studies. The key informant in this research is the Head of the North Lombok P2KBPMO Office, the main informant in this research is the head of BUMDes in North Lombok Regency. Then, the additional informant in this research is the Head of Bappeda KLU. Activities in data analysis, namely data reduction, data display, and conclusion drawing/verification. (Sugiyono, 2010).

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## III. RESULT AND DISCUSSION

### The Role of Regional Government in Empowerment of BUMDes in North Lombok Regency

The management of Village-Owned Enterprises (BUMDes) is a concrete manifestation of village productive economic management that is collaborative, participatory, emancipative, and based on the principles of transparency, accountability, and sustainability (Wulandari & Wardani, 2024). Thus, it is imperative to make serious efforts to ensure that the management of these business entities can operate effectively, efficiently, professionally, and independently.

The existence of BUMDes plays an important role in encouraging development at the village level, with BUMDes, business management and economic activities in the village are expected to encourage the utilization of village potential and economic activities can run optimally and provide maximum benefits for the welfare of the Village Community. Currently, the North Lombok Regency Government continues to encourage the role of all parties in the context of allocating budgets for BUMDes, both through the role of the Village government in providing Village Capital participation to BUMDes, allocating a coaching budget to the P2KBPMO Office of North Lombok Regency as an agency that has the task and function of empowering communities and BUMDes or by involving third parties and intervention from the central government.

An interview with the Head of the Regional Development Planning Agency (Bappeda) of North Lombok Regency, said that the Regional Government of North Lombok Regency is fully committed to supporting the empowerment of BUMDes, because BUMDes have had a real impact on improving the regional economy, including related to employment and increasing community and village income.

The Government is ready to provide support in various forms of coaching activities to improve the capacity and performance of BUMDes in North Lombok Regency. One of the supports that has been provided is the allocation of a special budget for BUMDes development, namely the assessment of village potential. If it were possible, there would also be a budget allocation for BUM Des Bersama to optimise all existing village potential. Although the allocated budget has been utilised, the current budget is still insufficient to fulfil the overall coaching needs. Many villages' potentials have not been maximised due to this limitation. Therefore, it is hoped that in the future the economic potential of the village can be further optimised by utilising existing resources. The local government will continue to improve and increase budget allocations and provide more intensive assistance, so that BUMDes are able to develop better and contribute to village economic development significantly.

The Regional Government through the Population Control, Family Planning, Community and Village Empowerment (P2KBPMO) Office of North Lombok Regency has the main responsibility in empowering BUMDes in North Lombok Regency, ensuring that every business development initiative undertaken by BUMDes is able to encourage village potential and improve community welfare in a sustainable manner. An interview conducted with the Head of the Community Empowerment Division at DP2KBPMO, that empowerment of BUMDes should ideally be carried out comprehensively starting from empowering the BUMDes management resources, business management, application of information and technology to the aspect of awareness of the environmental impact of BUMDes business activities, this is in line with the theory put forward by Mardikanto, that empowerment requires coaching that covers several aspects, namely Human Resources Development (HR), Institutional Development, Business Development, Environmental Development, and Technology and Information Development.

#### 1. Empowerment of BUMDes by DP2KBPMO on the Aspect of Human Resource Development

Human Resource Development is the main focus in the capacity building of BUMDes administrators and members. Continuous training and upskilling is conducted to ensure that the human resources involved are able to perform their roles effectively. This is done by conducting capacity building for BUMDes administrators, socialising regulations and drafting policies in the form of draft Regional Regulations governing BUMDes.

The results of the interview with the head of the Community Empowerment sector, Mr Agus Faturrosyidi, who was asked about the role of the P2KBPMO Office in fostering BUM Des administrators, stated that one of the activities carried out to increase the capacity of BUMDes administrators is to carry out training activities to increase the capacity of management and preparation of financial reports for Village-Owned Enterprises (BUMDes). The purpose of the activities in the aspect of BUMDes management resources is as follows:

##### a. Improve the capacity, knowledge and attitude of BUMDes administrators

This training aims to provide a better understanding of the management of BUMDes organisations and resources. BUMDes managers and administrators were provided with materials on good business governance, leadership, strategic planning, decision-making, and monitoring and evaluation. It is expected that with this managerial capacity building, BUMDes managers can be more effective in managing the business units they manage so that they can achieve the targets that have been set. The

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BUMDes management is also expected to have an entrepreneurial spirit and high enthusiasm to develop the village by maximising the local potential that already exists in each village.

### **b. Providing an understanding of the Regulations governing BUMDes**

In the context of improving the understanding of BUMDes administrators governing BUMDes business procedures, knowledge and explanation of regulations governing BUMDes businesses are needed, including Law Number 6 of 2014 concerning Villages, Government Regulation Number 11 of 2021 concerning Village-Owned Enterprises, Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration Number 3 of 2021 concerning Registration, Equalisation and Improvement and Procurement of Goods and / or Services of Village-Owned Enterprises / Joint Village-Owned Enterprises, Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration Number 21 of 2020 concerning General Guidelines for Village Development and Village Community Empowerment as well as a draft regional regulation prepared by the North Lombok regional government on BUMDes development. An understanding of these rules is very important for all BUMDes administrators to know, considering that BUMDes business management uses state money through Village finances so that it must be accountable to the Community and ensure that BUMDes business management is able to improve the welfare of the Village Community.

According to the results of interviews with several key informants of BUMDes administrators, it is known that the role of the P2KBPMO Office in community empowerment through human resource development is overall that DP2KBPMO has empowered the human resources aspect of BUMDes administrators in the form of training and socialisation of regulations to improve the insights of BUMDes administrators, but the scope of BUM Des administrators trained must still be increased as well as the continuity of training and assistance through direct monitoring of BUMDes.

## **2. Empowerment of BUMDes by DP2KBPMO on the Aspect of Institutional Development**

Institutional Development which focuses on strengthening the organizational structure of BUMDes to make it more efficient and responsive to the needs of village communities. This includes establishing good governance and developing transparent and accountable work procedures. The P2KBPMO Office of North Lombok Regency actively conducts coordination and evaluation meetings to assess the extent of the development of BUMDes/BUMDesma in the North Lombok Regency area, with the aim of ensuring that all activities are running in accordance with Government Regulation Number 11 of 2021 concerning Village-Owned Enterprises and Minister of Villages, Disadvantaged Regions and Transmigration Regulation Number 3 of 2021 concerning Registration, Equalization and Improvement and Procurement of Goods and or Services of Village-Owned Enterprises or Joint Village-Owned Enterprises. The purpose of the Coordination Meeting is to conduct an in-depth evaluation of the extent to which the development of Village-Owned Enterprises (BUMDes) and Joint BUMDes has been implemented and developed in accordance with the provisions stipulated in Government Regulation Number 11 of 2021, as well as its implementing regulations, namely Permendesa Number 3 of 2021 and Permendesa Number 15 of 2021. This meeting aims to ensure that the implementation of these regulations can run optimally and consistently with the established guidelines, in order to achieve the expected goals in the management of BUMDes at the village level.

The Head of the Village Community Empowerment Division said that BUMDes institutional development in order to strengthen the vision and mission, institutions, management of BUMDes had been carried out through a formal coordination meeting held once in 2024 attended by 43 BUMDes, five BUMDesma administrators and seven Village Facilitators. Coordination meetings were also held through other informal meetings with facilitating experts and BUMDes forum administrators of North Lombok Regency.

The ten BUMDes directors interviewed by researchers, namely BUMDes Bahtera Mandiri Jenggala, BUMDes Parus Paras Tanjung, BUMDes Malaka, BUMDes Pahar Berseri, BUMDes Apan Baya, BUMDes Sengeh, BUMDes Santong Jaya, BUMDes Genem, BUMDes Due Bareng, and BUMDes Periri Desa, all of whom stated that coordination meetings have been held by DP2KBPMO in the context of strengthening BUMDes institutions, but in the future it needs to be strengthened related to the understanding of BUMDes supervisory institutions and also the understanding of the Village government in providing Village capital participation to BUMDes.

Empowerment of BUMDes in the institutional aspect is also carried out by the P2KBPMO Office through facilitating the formation of the BUMDes Caretaker Communication Forum in North Lombok Regency. Through this forum, DP2KBPMO communicates and conveys information in order to strengthen BUMDes organizations and institutions. It is not uncommon for strategic matters in the form of BUMDes work plans, or related to the dynamics and problems faced by BUMDes to be resolved through the forum.



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## 3. Empowerment of BUMDes by DP2KBPMMD on the aspects of Business Development

In the context of community empowerment through BUMDes coaching, empowerment in the aspect of BUMDes business development is important to do. The P2KBPMMD Office of North Lombok Regency has a big vision to develop village businesses more professionally and sustainably. To realize this, the P2KBPMMD Office of North Lombok Regency has conducted BUMDes coaching on several matters covering 8 business development scope items with the following results:

### a. Development in the aspect of Commodity Selection and BUMDes Business Types

Based on the results of interviews with the Head of the Village Community Empowerment Division, coaching through Commodity Selection and Village potential is carried out through the preparation of a Policy Brief which is one of the DP2KBPMMD policies in the form of a village potential study document that can be used as a reference for BUMDes in developing village businesses which aims to encourage the utilization of village potential, stakeholder involvement, and the development of cooperation networks. The end result of this program is expected to strengthen the village creative economy in a sustainable and inclusive manner. Confirmation by all BUMDes respondents also conveyed that they already know the potential data of each Village based on documents and directives from DP2KBPMMD North Lombok Regency and based on observations of each Village.

### b. Feasibility Study and Business Planning

Based on the results of interviews with BUMDes administrators, it is known that the P2KBPMMD Office provides guidance on business feasibility studies and business planning for two BUMDes, namely BUMDes Asri Malaka, which states that the P2KBPMMD Office has provided assistance and facilitation in the context of feasibility and business planning, as evidenced by the provision of assistance to BUMDes Asri Malaka in the form of home stay infrastructure or lodging business units which are programs from the Ministry of Villages. Furthermore, the director of BUMDes Pabar Berseri also stated the same thing that business feasibility and planning had been carried out by the P2KBPMMD Office through village facilitators who helped encourage and oversee the operation of the West Pemenang Village Tourism business unit. In contrast, the other eight BUMDes stated that the P2KBPMMD Office has not yet provided guidance on feasibility studies and planning for their BUMDes.

### c. Production and Operations Management Program

BUMDes Directors overall stated that there has never been coaching by the P2KBPMMD Office on how to conduct production and operations management of all businesses conducted. The BUMDes Manager conveyed that the P2KBPMMD Office through the Village Facilitator is also expected to come to visit the BUMDes. The reality is that the Village Facilitator is not present if not requested, even though it is expected that the Regional Government through the P2KBPMMD Office comes to BUMDes to be able to know the condition of BUMDes, especially regarding the production management of BUMDes businesses, considering that BUMDes has the potential to trade MSME products. This condition is in accordance with the submission of the Head of the Community Empowerment Division that there has never been any guidance on production and operation management procedures for BUMDes businesses in North Lombok Regency. This is due to budget constraints at DP2KBPMMD North Lombok Regency and also because the BUMDes business in North Lombok Regency is not much in the goods production sector but more in the tourism and savings and loan services sector, so that guidance in production management and operations of BUMDes businesses has never been carried out.

### d. Financial Report Preparation

Training on the preparation of BUMDes financial statements was conducted in 2024 for one time and brought in resource persons from the Ministry of Villages of the Republic of Indonesia through the Denpasar Community Training Center. The trainees were directors of BUM Des that already have a legal entity certificate, namely 21 BUMDes. BUMDes revealed that they felt significant benefits from this training, especially in terms of more effective financial management and a deeper understanding of their responsibilities as BUMDes administrators. Therefore, the active participation of the DP2KBPMMD Office in organizing this kind of training is very important, as it contributes significantly to improving the effectiveness and efficiency of BUMDes management, as well as supporting the achievement of sustainable community empowerment goals.

Referring to the information of respondents from several BUMDes who have attended training on management capacity and preparation of BUMDes financial reports, it can be concluded that the role of the North Lombok Regency P2KBPMMD Office in the implementation of business guidance, namely the preparation of financial reports, has been carried out well. The training organized by this office aims to improve managerial skills as well as the ability to prepare financial reports, which in turn aims to strengthen the BUMDes' organizational foundation in managing businesses in a transparent and accountable manner.

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### **e. Development and management of BUMDes business information systems**

The Head of PMD Division and BUMDes Director stated that the P2KBPMO Office has never provided full guidance, especially regarding the development and management of BUMDes business information systems. This condition shows that the role of the P2KBPMO Office in community empowerment through coaching on the management of BUMDes business information systems is not optimal so that in the future it must be improved, considering that the management of BUMDes business information systems is important because it can provide several benefits including optimizing BUMDes business operations, information systems can assist BUMDes businesses in collecting, storing, managing, and processing data into valuable information, increasing efficiency, facilitating decision making, developing human resources and can improve the quality of communication which in turn will affect the effectiveness of BUMDes businesses.

### **f. Development of Supporting Facilities and Infrastructure for BUMDes**

The Head of the Community Empowerment Division revealed that currently the Regional Government has not been able to provide facilities and infrastructure assistance or financial assistance to BUMDes due to budget constraints, however the PMD Office always encourages the Village government to optimize Village Capital participation to BUMDes to strengthen BUMDes business facilities and infrastructure, further Agus said that the Government also facilitates BUMDes to get a building program from the Central Ministry but only two villages, namely Malaka Village and Jenggala Village, while for the other eight BUMDes it cannot be provided directly due to budget constraints from the national and regional governments.

### **g. Development of Entrepreneurial Spirit Related to Optimizing Business Opportunities Based on Local Excellence**

The essence of the establishment of BUMDes is to optimize the management of local resource potential in order to provide maximum benefits for the welfare of the local Village Community. For this reason, coaching on aspects of entrepreneurial spirit development related to optimizing business opportunities based on local excellence is needed by BUMDes. In implementing entrepreneurial spirit development activities related to optimizing local excellence-based business opportunities, the P2KBPMO Office of North Lombok Regency implements an activity program known as Policy Brief, with the aim of achieving various strategic goals in developing a creative economy at the village level and encouraging BUMDes to optimize the potential of their respective villages, especially by utilizing the mapping results of the P2KBPMO Office in the form of a policy brief mapping the condition of local excellence-based potential to become a reference in utilizing the local economic potential of the Village as one of the BUMDes business commodities, one example is the prospect for the development and management of bottled drinking water. From the implementation of dissemination and assessment of creative village mapping, it is expected that in-depth insights and solutions based on collective understanding from various stakeholders can be obtained. This is expected to strengthen the creative economy sector in the village and contribute positively to sustainable development at the local level.

In general, BUMDes coaching by the P2KBPMO office in order to develop entrepreneurs to optimize business potential based on local excellence has been carried out, including BUMDes Pemenang Barat and BUMDes Malaka with local advantages in the Tourism business sector, BUMDes Parus Paras Tanjung and BUMDes Jenggala which carry out goods and services businesses because they are located in urban areas, Gondang Village with a savings and loan business unit and Waserda for gas sales and farming, Rempek Village with Village potential for village drinking water services and building shops and Santong Village which has a savings and loan business unit for MSME actors in the Santong market area and Santong Village drinking water management and Anyar Village with a savings and loan microfinance institution.

### **h. Development on aspects of improving accessibility to capital, markets, and information**

Access to capital, markets, and information is a very important part of conducting business as good market access can help BUMDes increase revenue, competitiveness, and business expansion. BUMDes can also obtain accurate and up-to-date market data to identify demand trends. Likewise, access to capital or funding is the principle thing needed by BUMDes Business Institutions in order to improve the business conducted. The P2KBPMO Office has not yet provided guidance on the aspects of market access and capital. In their submission, it was revealed that the coaching could not be carried out due to the limited budget of the P2KBPMO Office to conduct training and provide information and financial assistance to BUMDes. This condition is in line with the overall submission of BUMDes directors that all of them still need assistance and access related to marketing business products or services that are BUMDes business units.

In general, from a total of eight scopes of existing business development aspects, only three programs were implemented by the P2KBPMO Office, namely empowering BUMDes in selecting commodities and types of businesses through policy brief policies for providing village potential data, empowering aspects of entrepreneurial spirit development related to optimizing business opportunities based on local village advantages and training in preparing financial reports for BUMDes administrators, while there are several other important aspects of guidance that have not been implemented by the P2KBPMO office, which are related to

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feasibility studies and business planning, production management and BUMDes business operations, investment planning and sources of financing, human resource management and career development of BUMDes administrators, management and development of BUMDes business information systems, guidance on the development of BUMDes business support facilities and infrastructure, and increasing accessibility to markets, capital and BUMDes business information.

### **4. Empowerment of BUMDes by DP2KBPMPPD Through Environmental Development**

Environmental development that ensures that every BUMDes business activity is not only profit-oriented, but also preserves the village environment. This includes programs that support sustainable agriculture, waste management, and wise use of natural resources. Environmental development is part of the empowerment efforts of Village-Owned Enterprises (BUMDes) that aims to increase the awareness of village administrators and business actors on the environmental impacts of their economic activities. Ideally, environmental development provides BUMDes with an understanding of the importance of preserving the environment in every business they do, and encourages the implementation of social and environmental responsibility (CSR) as part of their commitment to the surrounding community and nature. Through this program, BUMDes are expected to not only focus on economic benefits, but also pay attention to the long-term impact of their business activities on the village ecosystem, so that sustainable economic development can be achieved.

In practice, empowerment programs related to environmental awareness and social responsibility have never been implemented by the agency. The main reason given is the limited budget owned by the agency, which makes these well-designed programs unrealizable. This was then reinforced by statements from ten BUMDes stating that the P2KBPMPPD Office has never delivered information or guidance related to the sustainability of environmental aspects.

In more details, this statement was expressed by several BUMDes directors that the author interviewed regarding the role of the P2KBPMPPD Office in encouraging the implementation of BUMDes environmental development. The P2KBPMPPD Office has never implemented a specific environmental development program, especially one related to direct education or assistance on environmental conservation in BUMDes' business activities. However, they emphasize that the responsibility for environmental conservation is not only the obligation of the relevant agency, but is a shared responsibility that must be carried out by all parties, including BUMDes. Awareness of the importance of protecting the environment has become part of their commitment in running businesses at the village level. As a form of social responsibility, each BUMDes independently carries out environmental conservation efforts, both through good waste management, sustainable use of natural resources, to reforestation activities or keeping the surrounding environment clean. They believe that preserving the environment is key so that the business can run smoothly and not have a negative impact on nature or the communities around it.

Even in the absence of an environmental development program from the P2KBPMPPD Office, BUMDes take the initiative to implement environmentally friendly practices as part of their collective responsibility to maintain the sustainability of their business while maintaining the balance of the local ecosystem. Likewise, the implementation of BUMDes' obligations in the form of CSR budget distribution from the remaining BUMDes' operating results, has been channeled at 3 percent of the remaining operating results and mostly used for social community activities in the field of capacity building and education. However, even though all BUMDes are committed to paying attention to environmental aspects, guidance is still needed by the P2KBPMPPD Office in the context of implementing policies related to environmental aspects and CSR commitments to realize business sustainability of all BUMDes.

### **5. Pemberdayaan BUMDes oleh DP2KBPMPPD Melalui Bina Teknologi dan Informasi**

Technology and Information Development, which focuses on developing information technology infrastructure in villages. DP2KBPMPPD encourages BUMDes to utilize technology in daily operations, including the use of management information systems and digital marketing. The Technology and Information Development Program implemented by the P2KBPMPPD Office of North Lombok District implements the Appropriate Technology (TTG) initiative with the aim of increasing community independence in utilizing the potential of existing natural and human resources. The program is designed to empower communities so that they can be actively involved in productive economic activities. Gelar Teknologi Tepat Guna is one of the strategic efforts aimed at disseminating information and developing technology that suits the needs of the community, while addressing various problems faced and encouraging innovative breakthroughs that can give birth to young entrepreneurs from among local communities. Hopefully, this program will provide added value from both economic and environmental aspects.

In addition to the Appropriate Technology (TTG) program, the implementation of Technology and Information Development is also carried out by optimizing the socialization of BUMDes products through the BUMDes website, Village Government website and can be encouraged through the media of related agencies. This step aims to make BUMDes products better known to the wider



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community, thereby increasing market access and competitiveness. With the utilization of information technology, it is expected that a wider range of promotions can be created, which in turn can support sustainable village economic growth.

Refer to the two flagship programs of the P2KBPMO Office of North Lombok Regency in the implementation of Technology and Information Development, namely the Appropriate Technology (TTG) program and the socialization of BUMDes products through the Village Government website and the websites of related agencies. However, the training and guidance provided by DP2KBPMO in both programs has not been implemented on an ongoing basis. This has an impact on the optimization of the results of these programs that have not been maximally felt by BUMDes. Sustainable programs will provide an opportunity for BUMDes to better understand and master technology in depth, which in turn can expand their market reach through online promotions and improve operational efficiency through the application of appropriate technology. Without continuous guidance, some BUMDes feel that the implementation of technology has not reached its full potential, and they hope that DP2KBPMO can provide follow-up training to help BUMDes overcome this challenge.

Therefore, although the appropriate technology program and socialization of BUMDes products have been accepted by the BUMDes involved, more intensive and continuous support from DP2KBPMO is needed to ensure that all BUMDes administrators can utilize the technology optimally, so that the expected results of both programs can be truly achieved.

### **IV. CONCLUSION AND SUGGESTIONS**

Based on the results of the research and discussion that has been described, it can be concluded that the role of the P2KBPMO Office in empowering BUMDes is carried out through five main approaches, among others: (1) BUMDes empowerment in the aspect of Human Resources Development by the P2KBPMO Office of North Lombok Regency has been carried out through capacity building of BUMDes administrators as well as the preparation and socialization of regulations in the form of drafting Regional Regulations governing BUMDes and coaching is also carried out through monitoring and evaluation of BUMDes development; (2) BUMDes empowerment in the aspect of business development has been carried out by the P2KBPMO Office but not yet optimal. Coaching is carried out, among others, through the preparation of policies or Policy Brief related to the potential of village businesses which can be used as a basis by Villages and BUMDes to develop BUMDes businesses in North Lombok Regency; (3) Empowerment of BUMDes in the aspect of Institutional Development has been carried out in the form of Preparation of Draft Documents for Regional Regulations on the Guidance and Development of BUMDes in North Lombok Regency and the Establishment of a Regency BUMDes / BUMDesma Communication Forum, in addition to improving BUMDes institutions, including those related to Legal Entities, AD / ART, vision and mission, organizational structure and others, through facilitating the preparation of documents for BUMDes legal entity registration requirements. The strengthening of BUMDes institutions is carried out through coordination meetings both internally in the BUMDes communication forum or by inviting all BUMDes Managers throughout North Lombok Regency. Meanwhile, the optimization of the formation of BUMDes institutions such as marketing, finance, labor institutions has not been carried out; (4) Empowerment of BUMDes in the aspect of Environmental Development has not been carried out by the P2KBPMO Service due to budget constraints in delivering information and education to BUMDes administrators to realize the importance of maintaining environmental sustainability and allocating CSR from existing BUMDes business activities; and (5) Empowerment of BUMDes in the aspect of Information and technology development to BUMDes has not been fully carried out by the P2KBPMO Office due to budget constraints and very limited human resources at the P2KBPMO Office. However, two programs have been carried out, namely the Appropriate Technology Program which is part of the delivery of information on village superior products and the socialization of BUMDes products through digital platforms has been implemented.

Based on the research results, researchers have several suggestions including the following: (1) The North Lombok Regional Government through the North Lombok Regional Planning and Development Agency and the North Lombok P2KBPMO Office should prioritize BUMDes business coaching and seek budgeting allocations for BUMDes coaching and empowerment, especially related to coaching on BUMDes business components which include selection of commodities and types of BUMDes businesses, feasibility studies and BUMDes business planning, production and operational management, logistics management and preparation of financial reports, human resource management and career development of BUMDes administrators, management and development of BUMDes business information systems, optimization of BUMDes local excellence-based business opportunities, accessibility to capital, markets and BUMDes business information, as well as awareness of environmental impacts and implementation of social and environmental responsibilities of BUMDes businesses, institutional strengthening, and encouraging the application of BUMDes business information and technology, especially in the management of reports, promotion and marketing of BUMDes businesses; and (2) The P2KBPMO Office of North Lombok Regency is advised to recruit additional

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professionals who have competence and expertise in encouraging, advocating and at the same time empowering BUMDes so that coaching can be carried out effectively and efficiently. These professionals can be recruited as consultants through a contract employee system.

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