

Community Empowerment and Village Service Strategy in BUMDes Development in Bojonegoro Regency

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ABSTRACT: One way to reduce community dependency is to establish economic institutions such as Village-Owned Enterprises or BUMDes. BUMDes aims to be a forum for empowerment and management of resources both inside and outside the Village through business management, asset utilization, investment and productivity development, service provision, and/or provision of other types of businesses for the welfare of the Village community. This study aims to determine and describe the government's strategy, especially the Community and Village Empowerment Service of Bojonegoro Regency in realizing increased welfare and economy through Village-Owned Enterprises or BUMDes. This study uses a qualitative method with six informants as research subjects, which are analyzed using SWOT (Strength, Weakness, Opportunity, Threat) to determine the BUMDes development planning strategy in optimizing the utilization of village economic potential. In this study, data was analyzed through data analysis techniques using data reduction, data presentation and drawing conclusions. The results of the study indicate that the strategy carried out by the Community and Village Empowerment Service of Bojonegoro Regency has been optimal with monitoring, evaluation, provision of financial assistance and mapping which makes BUMDes more stimulated and begins to develop its potential.

KEYWORDS -Strategy, Development, BUMDes

I. INTRODUCTION

National development aims to improve people's welfare. Sustainable development can be realized through optimal utilization of natural potential and human resources (Mahnun *et. al.*, 2018). To enhance sustainable development, community knowledge and skills need to be improved so that existing resources can be managed effectively (Wahyu *et. al.*, 2019). Improvements in community welfare can be seen from the optimal fulfillment of daily needs, which is highly dependent on the utilization of resources and potential in each region (Arnita *et. al.*, 2024). Law of the Republic of Indonesia Number 6 of 2014 concerning Villages confirms that Villages have great potential for the State's economy. Various potentials in the Village can be developed and utilized by the community to meet their needs.

The Village Government plays an important role in integrating the various potentials that the Village has to achieve a productive economic scale for the prosperity of the Village community (Qin *et. al.*, 2020). However, the government's overly dominant role can hinder the creativity and innovation of the community in managing and utilizing local potential, resulting in less than optimal efforts to develop the village economy by the community (Srirejeki, 2018); (Wirsa, 2020). This will also have an impact on the ineffectiveness of the village economic institutional system, which will ultimately reduce community independence and create community dependence on government assistance.

One way to reduce community dependency is to form economic institutions, such as Village-Owned Enterprises (BUMDes). BUMDes acts as a forum for empowering and optimizing resources, both from the village itself and from outside the village (Castellani et. al, 2022). The establishment of BUMDes aims to build villages through community empowerment programs that can increase productivity and business diversity in the village (Chandra & Fibria, 2018). BUMDes also functions to build and strengthen production support institutions and ensure the availability of economic facilities and infrastructure in rural areas (Najiah et. al, 2022). The community can utilize BUMDes as a means to channel aspirations, develop human resources and manage capital originating from village funds optimally (Hidayah & Prima, 2022). As a social institution, BUMDes prioritizes the interests of the community through contributions in providing social services. Meanwhile, as a commercial institution, BUMDes focuses on seeking profit through offering local resources, both goods and services.

Table 1. Data BUMDes Tahun 2020-2022

Year	Number of BUMDes	BUMDes Advances	BUMDes is Developing	BUMDes Grows	Basic BUMDes	Village Does Not Have BUMDes Yet
2020	393	15	52	149	171	26
2021	400	36	103	125	136	19
2022	411	48	108	139	116	8

Source: Department of Community and Village Empowerment (2023)

Based on table 1 above, it is known that the Community and Village Empowerment Service has succeeded in establishing BUMDes in stages from year to year. In 2020 there were 393 BUMDes, this number will increase to 411 BUMDes in 2022. Although almost every village in Bojonegoro has a BUMDes, its establishment and development have not been fully implemented, because there are still 8 villages that do not have a BUMDes. Some of the causal factors are the lack of socialization and community support for the BUMDes concept, the complexity of regulations and institutions in the village, suboptimal support from the village government and limited access to capital.

BUMDes can be a driving force in providing greater access to resources and economic opportunities, which can ultimately help improve people's income and quality of life (Razak, 2020). Bambang Haryadi's theory (2005) explains that strategy formulation involves two main stages, namely the formulation stage which includes analysis of the internal and external environment, goal setting and designing strategic steps to achieve the organization's vision and mission, and the implementation stage which includes the appropriateness of organizational structure development, program development that bridges expectations and reality and activity budgeting, including training to improve the quality of human resources.

Previous research by Nuryanti (2019) showed that to describe the condition of BUMDes it is necessary to pay attention to and identify internal and external factors that influence its development, as well as evaluate development strategies that make it possible. Previous research by Syarifudin & Astuti (2020) shows that SWOT analysis is important for determining development strategies and ANP (Analytical Network Process) for selecting strategic priorities that can be used in BUMDes. Previous research by Pratiwi & Novianty (2020) shows that Bumdes can still be sustainable and survive by implementing PAB and Agribusiness survival strategies which include identifying problems that occur by paying attention to community needs.

BUMDes management can be carried out based on regulations, with financial intervention from the village government, community empowerment, training, mentoring and partnership development for product marketing (Malik et. al, 2021); (Siahaan et. al, 2021). Previous research by (Pradani, 2020) shows that BUMDes development can run optimally with the support of internal and external factors, such as improving management performance, utilizing strategic locations to expand partnerships, increasing community involvement, contributing to village development and optimizing market potential. Previous research by Tanaiyo et. al (2020) shows that collaboration between stakeholders can strengthen BUMDes as a driver of the local economy, through coordinated policies and active participation from all parties, BUMDes is able to create significant economic opportunities and improve the welfare of village communities.

In establishing a BUMDes, several requirements must be met, such as business potential, suitability to basic needs, availability of village resources, especially village wealth, human resources capable of managing assets, initiatives from the government or village community and the existence of a business unit that will be run (Sirait & Sinaga, 2020). Not all BUMDes that have been established are able to contribute to the Village. This is due to several problems faced by BUMDes (Sofyani, 2019). Therefore, the right strategy is needed so that BUMDes can play a role in increasing village original income and empowering the community and becoming a solution when BUMDes faces problems (Arfan & Nasution, 2020); (Permasih et. al, 2022). The research gap explains the village government policy in community empowerment in the bumdes program, as a novelty this research examines the strategy of community empowerment and village services in the development of BUMDes in Bojonegoro Regency with two stages, namely formulation and implementation and SWOT analysis. This study aims to determine and explain the strategies carried out by the Community and Village Empowerment Service in developing and developing BUMDes in Bojonegoro Regency. With the establishment of BUMDes, it is hoped that villages can manage existing potential, increase APBDesa, provide services to the community and become a place for young people to be creative, so that the village economy can increase and have an impact on improving community welfare, especially in Bojonegoro.

II. LITERATURE REVIEW

2.1. Strategy

Strategy involves a structured planning and management process to achieve specific goals. In the context of business and public institutions, strategy is an important aspect to determine the direction of development in facing challenges to achieve sustainable competitive advantage (Kang & Na, 2020). Strategy, designed by considering internal and external factors that influence the organization so that it is able to overcome various problems and connect them to the organization's vision and mission in accordance with external conditions that are constantly changing (Qadarisman et. al, 2021). This means that strategies must be designed with flexibility that allows the organization to adapt to environmental changes and challenges that may arise in the future. Strategy is closely related to problem solving and making the right decisions, both through top-down and bottom-up approaches (Imperial, 2021). The steps in strategy development include identifying, grouping and analyzing problems, determining solutions and planning implementation. Effective implementation is key to achieving the organization's long-term goals, while also enabling the organization to adapt to environmental changes and realize their vision and mission (Chofreh et. al, 2020).

Bambang Haryadi (2005) explains that there are two main stages in strategy, namely formulation and implementation. The formulation stage includes analysis of the internal and external environment, planning goals and designing steps to achieve the organization's vision and mission (Chofreh et. al, 2020). Meanwhile, the implementation stage in the strategy involves budget management, building organizational structures, developing realistic programs and training to improve the quality of human resources. Strategy development includes analysis to determine the vision and mission through situational analysis to identify strengths, weaknesses, opportunities and threats and determining strategies based on the most appropriate choices (Suriyanti, 2020).

Strategy implementation also depends on developing a culture that supports the strategy through the creation of an effective organizational structure and the allocation of appropriate resources (Tawse & Tabesh, 2021). A good strategy leverages an organization's strengths to achieve maximum impact, both in the short and long term. Strategy failure can be caused by several major factors, one of which is the problem of direction, which involves the inability to distinguish between goals and constraints (Ackermann & Eden, 2020). In addition, planning paralysis can occur when there is no clear starting point for action. Excessive focus on processes, often ignoring stable goals and values, can also be a cause of failure. To avoid these problems, it is important to understand how the organization works and create higher value compared to competitors.

2.2. Village-Owned Enterprises (BUMDes)

Village-Owned Enterprises (BUMDes) are village institutions established based on the potential and needs of the community with capital that is mostly or entirely owned by the village. Run by the village government with a spirit of mutual cooperation, BUMDes aims to improve the village economy and strengthen social cohesion (Castellani *et. al*, 2022). According to Article 1 Paragraph 6 of the 2014 Village Law, BUMDes was established to develop local potential, increase community insight and optimally utilize village resources (Sarkawi *et. al*, 2020). The main objectives of BUMDes include growing the village economy, increasing village income, providing useful services to the community, and developing village businesses.

Based on Bojonegoro Regency Regional Regulation Number 4 of 2021, BUMDes can run social enterprises that provide public services and generate economic benefits, utilize local resources and appropriate technology, and support micro-enterprises through collaboration with financial institutions (Tantriani, 2022). The establishment of BUMDes must be based on shared responsibility between the village government and the local community, with the aim of increasing village economic independence and community welfare through participation in economic activities (Ikhwansyah *et. al*, 2020). BUMDes is categorized into four levels of development, namely Basic, Growing, Developing and Advanced, with progress measured based on points (Rosalina, 2021). The Basic category scores range from 25-49, Growing 50-74, Developing 75-84, and Advanced 85 and above. This rating is determined through an evaluation of several parameters, including organizational governance, regulation, business, management and reporting, capitalization, and economic impact. The business parameter has the highest weighting of 25%, followed by institutional governance and economic impact at 20% each, capitalization at 15%, and regulation and management and reporting at 10% each.

III. METHODOLOGY

This study uses a descriptive qualitative method with primary and secondary data obtained from observations, interviews and documentation, which are then analyzed by means of data collection, data reduction and drawing conclusions and data verification. The location of this research is in BUMDes Bojonegoro Regency in 2020-2022. The focus of this research is to describe, illustrate and find out how the Strategy of the Community and Village Empowerment Service (DPMD) in Developing BUMDes in Bojonegoro Regency. In Bambang Hariadi's theory (2005) it is explained that there are two stages of strategy, namely formulation and implementation. Formulation in this study is shown to analyze the external and internal environment including planning, targets and strategic objectives. While in implementation it is shown to analyze the implementation of the strategy by the implementing organization that has been formulated, run in accordance with the development of the structure and development of programs and budgeting.

SWOT analysis in this study is used to determine the right follow-up strategy to be implemented in BUMDes. SWOT analysis can help BUMDes find the best opportunities to build an independent BUMDes in the future (Permasih *et. al*, 2022). SWOT analysis is also able to provide an overview of BUMDes from four dimensions, namely strengths, weaknesses, opportunities and threats (Suyadi *et. al*, 2022). So that decision making can be more comprehensive and can be used as a reference for making long-term plans by Village-Owned Enterprises and evaluation by the Community and Village Empowerment Service (Jiskani *et. al*, 2020)]. SWOT analysis can be used to systematically assess strategic positions in identifying various factors to formulate organizational strategies based on logic, with the aim of maximizing strengths and opportunities while minimizing weaknesses and threats (Rizki *et. al*, 2021); (Devi *et. al*, 2022). Strengths and weaknesses describe internal aspects, while opportunities and threats come from external factors that can be exploited or need to be watched out for (Leiber *et. al*, 2020).

The advantage of SWOT analysis is that it makes it easier for an organization to provide a clear picture to support strategic thinking and further discussion (Sharma & Beg, 2020). Meanwhile, strength is related to internal conditions that can support the success of an organization in achieving a superior position in competition (Indrawanto *et. al*, 2021). On the other hand, weaknesses related to internal conditions can become obstacles that ultimately hinder the development of a BUMDes (Kania & Adnani, 2021). Opportunities are external conditions that support success and can be the basis for innovation in future company development.

IV. RESULT

BUMDes is a business entity that manages village potential so that it can improve the village economy. In formulating this stage, external and internal environmental analysis, as well as strategic planning are important for each BUMDes, considering that each has unique problems. Therefore, the Community Empowerment Service must be consistent in determining strategies and future steps so that the strategy can be implemented and run effectively. The Community and Village Empowerment Service (DPMD) explained that each BUMDes has unique challenges. The obstacles faced include limited human resources and capital, as well as political dynamics at the village level that often change with the change of village head. The Head of the Village Community Resilience Division explained that currently the officers handling BUMDes have increased to five people. However, there are still several challenges that must be addressed, especially in controlling BUMDes which have different potentials. For example, some villages have strategic locations, while others only have rice fields. This is in line with research conducted by Sirait & Sinaga (2020) explained that each BUMDes has its own constraints, so an effective strategy is needed to overcome them.

The Community Resilience Staff explained that there are differences in natural potential and human resources in each village which ultimately affect the success of BUMDes. Not all BUMDes have succeeded in developing their businesses, and this is the challenge in achieving even success indicators. In addition, limited capital and limited community knowledge about BUMDes are also major obstacles. Research conducted by Muklis *et. al* (2021) explained that differences in natural potential and human resources in each village are a challenge in achieving BUMDes success indicators. In the Woro Village BUMDes, it is known that the main obstacles are limited capital and difficulties in coordinating administrators, most of whom are outside the city. In contrast to BUMDes Woro Village, BUMDes Joyo Makmur in Malo Village, showed that the main obstacles experienced were directly related to human resources and communication between members. Meanwhile, in BUMDes Sarana Mandiri in Pejambon Village, there were major obstacles originating from external sources, especially during the COVID-19 pandemic, which forced a reduction in the number of tour operators.

Regarding strategy, DPMD is known to have conducted mapping of BUMDes in Bojonegoro Regency at the end of 2018, which identified 278 BUMDes in the Bojonegoro Regency area. DPMD has also conducted socialization, mentoring and training for BUMDes managers. In addition, monitoring and evaluation strategies, including monitoring the development of BUMDes, financial reports and business models, as well as recruiting village assistants to facilitate coordination, have been implemented to increase the effectiveness of BUMDes. The Community and Village Empowerment Service (DPMD) of Bojonegoro Regency is also known to have carried out monitoring of BUMDes Sarana Mandiri in Pejambon to evaluate the development of BUMDes. This monitoring aims to ensure that the strategies implemented are running according to expectations. The Head of BUMDes Barokah Bersama, Simbatan Village, explained that the strategy currently being used is focused on improving human resources, given the low level of public knowledge about BUMDes. Meanwhile, the Head of BUMDes Mitra, Woro Village also explained that the village is trying to empower the local community, especially the youth, with the assistance of mentoring from DPMD which is very helpful in solving the problems faced. Meanwhile, the head of BUMDes Joyo Makmur, Malo Village, is known to have explained that BUMDes focuses on utilizing existing opportunities, such as buying community harvests to resell while still paying attention to mutual benefits. Meanwhile, the head of BUMDes Sarana Mandiri, Pejambon Village, is known to emphasize the importance of innovation and support from the village government so that BUMDes can run well.

In this case, evaluation is also an important thing that must be done to measure the effectiveness of the strategy implemented by BUMDes. The Head of the Village/Sub-district Community Resilience Division explained that in 2022, BUMDes in Bojonegoro Regency showed a significant increase thanks to the stimulants provided and monitoring carried out consistently. This success is also supported by cooperation with PKN STAN, especially in terms of financial reporting. According to the Village/Sub-district Community Resilience Division Staff, the monitoring carried out in the Bojonegoro Regency area has proven effective because it can increase the enthusiasm of BUMDes in managing village potential. As part of efforts to improve human resource

capacity, DPMD is known to hold a three-day financial training at the Pejambon Library Room in collaboration with PKN STAN which aims to strengthen the managerial capabilities of BUMDes Sarana Mandiri. Research conducted by Lubis *et. al* (2021) explains that managerial skills in BUMDes are very important. Based on the research, there are several suggestions put forward to improve the development of BUMDes in Bojonegoro Regency, including maintaining existing strategies by continuing to control and evaluate BUMDes management, encouraging the commitment of the village government to support the development of potential and increasing the capacity of human resources in BUMDes management and implementing strategies that have been prepared to overcome problems and support development, including conducting comparative studies with more advanced BUMDes to increase insight and knowledge. With these steps, it is hoped that BUMDes which are still in the growth stage can develop better in the future.

Table 2. Percentage of the Number of BUMDes in Bojonegoro Regency 2018-2022

Year	Number of BUMDes	Percentage of Total BUMDes	Percentage of Achievement of Increase in Number of BUMDes
2018	289	68,97%	Titik 0
2019	345	82,3%	13,3%
2020	393	93,79%	11,49%
2021	400	97,50%	8,21%
2022	411	98%	6,18%
Target 2023	419	100%	-

Source: DPMD Bojonegoro Data 2022

From the table above, it can be concluded that the number of BUMDes in Bojonegoro Regency continues to experience a significant increase. The number of BUMDes grew from 289 villages in 2018 to 411 villages in 2022. This growth cannot be separated from the active role of the local government in working with the village government in encouraging and encouraging BUMDes actors to continue to develop. In 2023, only 8 villages remain that do not have BUMDes, so it is the responsibility of the coordinator team and the Community and Village Empowerment Service to establish BUMDes in these villages. Based on this information, it can be concluded that the formulation indicators, which include external and internal analysis, planning and strategic objectives, have been implemented in almost all BUMDes. This level of success is in line with the hope of making Bojonegoro a source of local people's economy and socio-culture in order to realize a prosperous and competitive society. This study found several problems that hinder the growth of BUMDes, such as lack of access to capital and limited adequate human resources, which are the focus of attention of the Community and Village Empowerment Service (DPMD). To overcome this problem, DPMD mapped all BUMDes in Bojonegoro Regency and divided them into four basic categories, growing, developing and advanced. This classification makes it easier for DPMD to design the next strategic steps. After mapping, DPMD developed a strategy that includes socializing BUMDes to villages that do not yet have BUMDes by monitoring, mentoring, creative economy and financial training and providing capital assistance. This BUMDesa development strategy involves coordination of various parties with a focus on three main elements, namely structural development, program development and budgeting.

The implementation of BUMDes development strategies involves three main elements, namely structural development, programs and budgeting. Structural development is an important aspect that ensures that BUMDes and government organizations run according to their goals. The Community and Village Empowerment Service (DPMD) uses Regional Regulation No. 4 of 2021 as the basis for establishing BUMDes by considering village government initiatives, village economic business potential and the human resources and capital required in accordance with applicable regulations.

The development of the BUMDes program is a crucial aspect that assesses the effectiveness of strategies and innovations implemented by the Community and Village Empowerment Service (DPMD). This process must be carried out openly to encourage the growth of BUMDes, both in terms of quality and quantity. The development of the program by DPMD aims to increase the institutional capacity of BUMDes through the recruitment of assistants and the provision of special financial assistance, which has increased the number of BUMDes from 400 in 2021 to 411 in 2022. Overall, the BUMDes development program through assistance and BKK has received a very positive response. With assistants, DPMD can more easily identify the problems faced

by BUMDes and the potential for villages to develop. In this case, support from the village government, assistants and supervision from the district and sub-district play an important role in this process. This is in line with research conducted by Tanaiyo (2020) that collaboration between stakeholders can strengthen BUMDes as a driver of the local economy, through coordinated policies and active participation from all parties.

Budgeting is also a crucial aspect to ensure that activities run according to plan. DPMD is funded by the Regency Budget and CSR funds for special financial assistance programs, while training to strengthen human resource capacity in BUMDesa is funded by the Village Budget. Overall, the budget managed by the Community and Village Empowerment Service and BUMDes in Bojonegoro Regency has been used effectively to support the development of BUMDes. In BUMDes Pejambon, BKK funds are used to build a swimming pool in the Pejambon educational tourism complex, with the aim of increasing income and tourist attractions.

Table 3. Analysis SWOT

Strength	<ol style="list-style-type: none"> 1. Have a qualified level of education and human resource capabilities. 2. Human resources have experience according to their field of expertise 3. Neat and detailed financial planning of expenditures and infrastructure 4. Good utilization of infrastructure
Weaknesses	<ol style="list-style-type: none"> 1. Suboptimal support from the village government 2. Complexity of regulations and institutions in BUMDes 3. Unorganized BUMDes management system 4. Public accountability and responsibility
Opportunity	<ol style="list-style-type: none"> 1. The development of digital technology that supports BUMDes activities 2. The rapid sophistication of technology and information systems facilitates the distribution and development of BUMDes businesses
Threat	<ol style="list-style-type: none"> 1. Environmental impact risk 2. Low community and group synergy 3. Small scale of economy and limited market access

Source: SWOT Analysis Results (2023)

Figure 1. Formulation of Alternative BUMDes Development Strategies

IFAS	<i>Strengths (S)</i>	<i>Weakness (W)</i>
EFAS		
Opportunity (O)	<p>Strategy S-O</p> <ol style="list-style-type: none"> 1. Optimizing performance by developing technology that is easily accessible by BUMDes 2. Create good and structured management 3. Sufficient budget support from the government 4. Facilitating access to cooperation between BUMDes and mutually beneficial parties 	<p>Strategy W-O</p> <ol style="list-style-type: none"> 1. Providing input and conducting outreach, coordination meetings and facilitation in the implementation of strengthening Village-Owned Enterprises 2. Conducting coaching and monitoring of Village-Owned Enterprises 3. Creating a BUMDes website 4. Open to the public in reporting activities and also the budget that has been realized
Threats (T)	<p>Strategy S-T</p> <ol style="list-style-type: none"> 1. Always coordinate and cooperate with the government in determining the potential of BUMDes businesses 2. Active in community outreach 	<p>Strategy W-T</p> <ol style="list-style-type: none"> 1. Grouping of business units run by BUMDes according to future impacts and opportunities 2. Involving the community in all forms of BUMDes efforts for the common welfare

Source: SWOT Analysis Results (2023)

Based on the results of the SWOT analysis above, it is known that internal factors in BUMDes that influence the development of BUMDes include strengths and weaknesses, while external factors involve opportunities and threats from the BUMDes external environment that cannot be controlled. Formulating a strategy is important to take advantage of opportunities and avoid threats. Previous research by Jaka Sukma and Irni Kania & Adnani (2021) showed that the strengths and weaknesses of BUMDes lie in environmental conditions, financial management, human resources, infrastructure and legal umbrellas, while opportunities and threats include environmental conditions of business partners, village potential and community participation. DPMD is known to have carried out internal and external analysis well, but direct field reviews are still needed to find the best solution for the development of BUMDes. In planning and implementing strategies, DPMD maps BUMDes into basic/growing, developing and advanced categories. DPMD also provides assistance, monitoring and technical training, such as financial training, to support village economic independence through institutional empowerment and business management.

This study found that internal and external factors influence the development of BUMDes. The strengths of BUMDes include high levels of education and human resource capabilities, good financial management, and effective utilization of facilities and infrastructure. However, the weaknesses faced include suboptimal support from the village government, the complexity of regulations, an unorganized management system, and a lack of accountability and responsibility. Opportunities for BUMDes include the development of digital technology and information systems that can facilitate distribution and business development, as well as opportunities to collaborate with business partners. On the other hand, the threats that must be faced include environmental impacts, low community synergy, and limited economic scale and market access. This is supported by research conducted by Nuryanti (2019) which shows that internal and external factors can influence the development of BUMDes.

The recommended BUMDes development strategy includes several approaches. The S-O (Strengths-Opportunities) strategy includes optimizing performance through technology development and establishing good management with adequate budget support from the government. The W-O (Weaknesses-Opportunities) strategy focuses on increasing effectiveness through socialization, coordination, and public transparency in reporting activities and budgets. The S-T (Strengths-Threats) strategy emphasizes the importance of coordination with the government and socialization to the community to reduce threats. Meanwhile, the W-T (Weaknesses-Threats) strategy recommends grouping business units according to future impacts and opportunities and involving the community to achieve shared prosperity.

V. CONCLUSION

Based on the results of the study on the strategy of the Community and Village Empowerment Service in developing BUMDes in Bojonegoro Regency using Bambang Hariadi's theory, it is known that internal and external factors are very important in determining the next strategy to take advantage of opportunities and avoid threats. Each BUMDes in Bojonegoro Regency is known to have different characteristics, so the Community and Village Empowerment Service needs to develop the right strategy to overcome specific problems in each BUMDes. This includes the use of technology to support BUMDes activities and opening public access to report activities that have been carried out. In addition, strategic planning and objectives are part of efforts to achieve village economic independence through institutional empowerment and management of community economic enterprises. BUMDes is expected to become an independent and professional village economic institution. Given the dynamic organizational environment, a comprehensive strategy is needed to ensure BUMDes, so that it can function as a driver of the village economy. In this case, the Community Empowerment Service is known to have implemented various strategies, such as monitoring and evaluating BUMDes to assess the impact of activities, mapping and grouping BUMDes into basic/growing, developing, and advanced categories. The agency also provides assistance and facilitates village governments that do not yet have BUMDes to immediately establish them. BUMDes that are included in the growing category receive intensive assistance, including institutional strengthening, administrative coaching, and business development.

In establishing BUMDes, the Community and Village Empowerment Service refers to Regional

Regulation Number 4 of 2021, which allows villages to establish BUMDes by considering village government initiatives, local economic business potential, human resources capable of managing BUMDes and capital participation from the village government. The selection of BUMDes administrators must consider factors such as entrepreneurial spirit and experience, leadership and managerial abilities, communication skills, facilitation techniques and an understanding of good financial governance. The selection process is carried out through a Village Deliberation with a consensus and after being agreed upon, the administrators can be inaugurated.

In the implementation of structural development, the Community Empowerment Service is known to recruit assistants to assist BUMDes in institutional aspects, administrative management, financial management and business development. These assistants assist DPMD in handling complaints and problems in BUMDes, so that coordination and identification of problems become more efficient. In 2022, Special Financial Assistance (BKK) of IDR 100,000,000 was given to 13 villages as capital strengthening for Bumdes which are included in the basic/growing, developing and advanced categories, especially in the agricultural sector. This assistance has a positive impact on the development of BUMDes, with the number of villages that have BUMDes increasing from 400 in 2021 to 411 in 2022, from a total of 419 villages in Bojonegoro Regency.

For the implementation of supporting activities for human resource capacity, the Community Empowerment Service uses a budget from the district budget, while BUMDes gets funding sources from the Village Budget, District Budget, CSR funds and other non-binding sources. Based on the results of this study, several suggestions for improving BUMDes development in Bojonegoro Regency can be done through, maintaining existing strategies while continuing to control and evaluate Bumdes management. Second, the village government is expected to commit to encouraging and supporting the development of potential and increasing human resource capacity in Bumdes management. Third, Bumdes needs to implement strategies that have been made to overcome problems and enable development, and conduct comparative studies with more advanced Bumdes to increase insight and knowledge, so that Bumdes that are still growing can develop better.

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