
PUBLIC POLICY FROM A STATE ADMINISTRATION PERSPECTIVE MANDALAWANGI BUMDES DEVELOPMENT STRATEGY TASIKMALAYA DISTRICT

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Abstract

This research aims to develop a strategy for developing Village-Owned Enterprises (BUMDes) in Mandalawangi Village, Tasikmalaya Regency. Bumdes is an economic institution owned by village communities to improve the welfare of village communities. This research uses qualitative methods with data collection techniques through interviews, observation, and documentation studies. The research results show that Bumdes Mandalawangi has great potential to develop various economic businesses in the village. However, to optimize this potential, the right strategy is needed. The Mandalawangi Bumdes development strategy is expected to help improve the welfare of village communities, create jobs, and reduce dependence on certain economic sectors. Apart from that, this strategy can also be a guide for other villages in developing their Bumdes.

Keywords:

Strategy, Development of BUMDes, Tasikmalaya District

Abstrak

Penelitian ini bertujuan untuk menyusun strategi pengembangan Badan Usaha Milik Desa (BUMDes) di Desa Mandalawangi Kabupaten Tasikmalaya. Bumdes merupakan lembaga perekonomian yang dimiliki masyarakat desa untuk meningkatkan kesejahteraan masyarakat desa. Penelitian ini menggunakan metode kualitatif dengan teknik pengumpulan data melalui wawancara, observasi, dan studi dokumentasi. Hasil penelitian menunjukkan bahwa Bumdes Mandalawangi memiliki potensi besar untuk mengembangkan berbagai usaha ekonomi di desa. Namun untuk mengoptimalkan potensi tersebut diperlukan strategi yang tepat. Strategi pengembangan Bumdes Mandalawangi diharapkan dapat membantu meningkatkan kesejahteraan masyarakat desa, menciptakan lapangan kerja, dan mengurangi ketergantungan pada sektor ekonomi tertentu. Selain itu, strategi ini juga dapat menjadi panduan bagi desa lain dalam mengembangkan Bumdesnya.

Kata kunci: Strategi, Pengembangan Bumdes

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INTRODUCTION

The existence of BUMDES is part of the Indonesian government's efforts to strengthen village autonomy and support economic development in rural areas. Through BUMDES, it is hoped that village communities can be more active in taking a role in development and improving their own welfare. BUMDES is a very useful instrument in driving the local economy and reducing social inequality in villages. However, the success of BUMDES is very dependent on the commitment and active participation of village communities as well as support from the government and related institutions, so that BUMDES development requires careful planning, good management and the involvement of all relevant stakeholders.

The legal basis for the formation of BUMDES is Law Number 6 of 2014 concerning Villages. In this law, there are several articles that regulate BUMDES, namely Article 70 to Article 75. According to Article 70 of the Village Law, it is explained that villages have the authority to manage natural resource potential, economic potential and other potential resources in the context of village development (Amantha. 2021). BUMDES is one form of this management. The next article, namely Article 71, explains that villages can establish BUMDES to manage natural resource potential, economic potential and other potential resources with the aim of improving the welfare of village communities. Then in the next article it is explained that BUMDES can take the form of a legal entity, cooperative, or other form of business in accordance with statutory regulations. As for Article 73, it is explained regarding BUMDES capital which can be sourced from village capital, provision of capital from the regional government, provision of capital from third parties, as well as profits obtained by BUMDES from their business activities (Dewi, 2014).

Several other regulations relating to the existence of BUMDES are regulated based on the Government Regulation (PP) concerning Village-Owned Enterprises (BUMDES) as the rules governing the establishment, management and duties of BUMDES in Indonesia. Some of these regulations include Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration (Mendes PDTT) Number 13 of 2019 concerning General Guidelines for the Establishment, Management and Supervision of BUMDES, Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration (Mendes PDTT) Number 8 2017 concerning BUMDES, and Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration (Mendes PDTT) Number 7 of 2016 concerning Criteria and Procedures for Preparing BUMDES Business Plans.

The development of BUMDES has many important benefits for the development and progress of villages in Indonesia, including in Mandalawangi Village, Tasikmalaya Regency. BUMDES can become a driving force for the local economy by developing businesses in the fields of agriculture, fisheries, animal husbandry, tourism, crafts, and other sectors, which can create local jobs, increase the income of village communities, and

reduce the unemployment rate (Salihin. 2021). Apart from that, BUMDes can help alleviate poverty by creating new economic opportunities for underprivileged village residents, and can also help improve the standard of living of village communities.

BUMDes is one way to reduce village dependence on central or provincial government funds. By developing local resources and managing businesses independently, villages can become more economically independent. Apart from that, it can generate income that can be used to build and maintain village infrastructure such as roads, bridges and clean water systems. Another important aspect is that BUMDes income can be used to improve basic services such as education and health in villages. The existence of BUMDes can involve village residents in making decisions regarding business development and fund allocation, which can increase community participation in village development and create a sense of ownership of BUMDes (Majlan, Ismail, Juharni. 2020).

Through the development of BUMDes, villages can improve access to education, health services and other public facilities, which in turn can improve the quality of life of village residents. By developing BUMDes and producing quality products or services, villages can become more competitive in local, regional and even national markets, thereby increasing village income and economic growth. BUMDes development requires good planning, efficient management, and support from various parties, including local government, financial institutions, and the village community itself. By optimizing the potential of BUMDes, villages can achieve more sustainable development and improve the welfare of their residents.

Strategy is a shared means with long-term goals (Porter, 1980). According to Porter's Generic Strategies Theory, it is explained that there are three generic strategies that companies can use to achieve competitive advantage, namely:

1. Cost Leadership, namely focusing on reducing production costs to offer products or services at lower prices than competitors.
2. Differentiation, namely focusing on creating products or services that are unique and add value to customers.
3. Focus, namely by focusing on a certain market segment or niche and becoming a leader in it.

Developing businesses owned by BUMDes is not an easy task, but by using these various theories and approaches, BUMDes can be successful in creating jobs, increasing income, and improving the welfare of village communities while paying attention to balanced social, environmental and economic aspects. Lawrence and William (2000) provide an explanation explaining that strategic planning is an important element in achieving organizational goals and facing challenges posed by the external environment. A strategic plan is a comprehensive and integrated approach that leverages an organization's strengths while addressing external challenges. The main objective is to

ensure that the core objectives of the organization are achieved through the effective implementation of strategies.

The development strategy of a business entity is very important because it can have a direct impact on the company's long-term success and growth. Development strategies help companies to achieve sustainable growth. Without a clear plan, a business may stagnate or even experience setbacks. Development strategies can help a company to maintain or even improve its position in the market, including identifying new opportunities, creating unique products or services, or expanding into new regions. Igor Ansoff (1990) developed a matrix that describes four strategies in business development, including:

1. Market Penetration, namely by increasing market share by selling existing products or services in known markets.
2. Market Development, namely by entering new markets with existing products or services.
3. Product Development, namely by developing new products or services for existing markets.
4. Diversification, namely by entering new markets with new products or services.

Regarding the BUMDes development strategy, it needs to be adapted to the circumstances and potential of each village, so it is important to carry out a situation analysis and consult with village communities in designing the right strategy. Apart from that, collaboration with various parties, including local governments, financial institutions and the private sector, can be a key factor in the success of BUMDes development. Based on research, it shows that strategy is an important part in developing BUMDes (Jaka and Irni, 2019).

The results of further research show that obstacles to developing BUMDes include the capacity or ability of BUMdes managers, lack of marketing strategies, and lack of participation from village communities to develop BUMDes owned by their villages (Muhammad Nursan, Aeko Fria Utama FR, 2019). In order to develop business sustainably, BUMDes needs to plan and implement a mature strategy. A good strategy will help BUMDes achieve their economic, social and environmental goals more effectively and efficiently, as well as help village communities improve their overall welfare (Fitrianita, at.al. 2022).

Business strategy analysis is an important step in designing a business model that can last a long time, so that it has a long-lasting impact on the company's life (Teece, 2010). Strategy is one of the key elements in business development by BUMDes. The establishment of BUMDes aims to improve welfare and development at the village level, so that through its development strategy it helps BUMDes to formulate long-term goals and a clear vision, which helps the organization to have a clear focus in developing its

business and ensures that all activities carried out are in accordance with the stated objectives. has been established.

METHODS

The research method used is a qualitative method, with the aim of examining the BUMDes development strategy of Mandalawangi Village in Tasikmalaya Regency. The steps taken in this research include:

1. Problem identification, namely by identifying problems that you want to solve or research related to the development of BUMDes in Mandalawangi Village, for example economic, social or infrastructure problems.
2. Literature study, namely by conducting literature study research related to BUMDes and village development to understand the relevant context and framework.
3. Formulating research objectives, namely by setting research objectives, identifying village economic potential, analyzing obstacles to BUMDes development, or formulating appropriate development strategies.
4. Conduct surveys by collecting primary data from village residents, and conducting interviews with stakeholders, such as BUMDes members, village officials, or village communities.
5. Data analysis, carried out through data reduction, power display, verification and drawing conclusions.

RESULTS AND DISCUSSION

Mandalawangi Village Village-Owned Enterprises (BUMDes) were established based on Mandalawangi Village Regulation Number 04 of 2015 concerning the Establishment and Management of Village-Owned Enterprises (BUMDdes). Based on research, it shows that the existence of BUMDes in Mandalawangi Village, Tasikmalaya Regency is still not running well enough, so it requires a strategy in its development. The development of BUMDes in Mandalawangi Village needs to be carried out as an effort to improve the economy and welfare of village communities, where there are still weaknesses and challenges in its development. In overcoming these weaknesses, it is important to pay attention to a holistic approach, training, technical assistance, support from the government, and active community participation in managing BUMDes. Continuous efforts and continuous improvement are needed to optimize the potential of BUMDes as an instrument of economic and social development in villages.

Some of the weaknesses found were limited resources, including limited human, financial and infrastructure resources. From the capital aspect, the Mandalawangi Village BUMDes still depend on the Village Fund as the main source of funding, where this dependence can result in financial instability if the Village Fund experiences a decrease or policy changes. Another aspect is a lack of experience or skills in business

management, which hampers BUMDes' ability to plan, manage and develop their business well. Apart from that, there is a lack of strategy in marketing BUMDes products or services to a wider market, where limited access to markets, knowledge about marketing, and competition with other businesses are obstacles.

Another important aspect that is an obstacle in the development of BUMDes belonging to Mandalwangi Village, Tasikmalaya Regency is the lack of long-term planning, where income is only based on approaches without planning long-term strategies so that the BUMDes businesses they own become less sustainable in the long term. In connection with these matters, it is important to have a strategy in developing businesses owned by BUMDes owned by Mandalawang Village, Tasikmalaya Regency to increase their income and improve the welfare of the village community. The BUMDes development strategy in Mandalwangi Village, Tasikmalaya Regency is a planned step to improve community welfare, empower the local economy, and sustainably manage natural resources. Based on the results of this research, several strategies can be implemented in developing BUMDes in Mandalwangi Village, Tasikmalaya Regency, including through:

1. **Business Diversification.** BUMDes can develop various types of businesses that suit the village's potential, such as agriculture, animal husbandry, tourism or local crafts. Business diversification will increase income and reduce economic risks.
2. **Improved Product and Service Quality.** BUMDes must focus on improving the quality of the products and services offered. This could include training to improve production skills, attractive packaging, or more customer-friendly service.
3. **Marketing and Promotion.** It is important to have an effective marketing strategy to reach a wider market. BUMDes can use social media, websites, or collaborate with local travel agents to promote their products and services.
4. **Good Financial Management.** Implementing good financial management is very important. BUMDes must have an accurate and transparent recording system, and manage finances carefully to avoid deficits and ensure business sustainability.
5. **Partnership with External Parties.** BUMDes can form partnerships with external parties, such as local governments, financial institutions, or non-governmental organizations, to obtain technical support, capital, or greater market access.
6. **Community Involvement.** BUMDes must actively involve the community in the decision-making process and program implementation. This can be done through village meetings, deliberations, or other participatory forums.
7. **Education and Training.** Providing education and training to BUMDes members and local communities will help improve their skills and knowledge in managing business and natural resources sustainably.
8. **Use of Technology.** Applying modern technology in production, management and marketing can help BUMDes become more efficient and competitive.

9. Environmental Conservation. Mandalwangi Village can include environmental conservation principles in its BUMDes development strategy, for example by promoting organic farming practices or sustainable tourism.
10. Evaluation and Continuous Improvement. BUMDes need to periodically evaluate their performance, listen to community input, and make continuous improvements in the strategy and implementation of their activities.

Strategy is very important in developing BUMDes' businesses because it has a significant role in economic and social development at the village level. The strategy helps BUMDES in formulating specific, measurable, achievable, relevant and time-bound (SMART) development goals. With clear objectives, BUMDES can direct its efforts to achieve the desired results in village development, such as increasing the income and welfare of village residents. Through strategy, BUMDES can analyze the economic potential and existing resources in the village, which makes it possible to choose the type of business that best suits local conditions and community needs, thereby increasing the chances of success.

Development strategies can help BUMDES plan the resources needed to develop the business, including financing, workforce and infrastructure (Aji, et.al. 2023). With good planning, BUMDES can manage resources efficiently and effectively (Suastini & Karyada, 2023). Marketing strategies and market development are very important, because they are the key to success in developing a business. BUMDES needs to formulate a marketing strategy to reach the right target market and promote its products or services effectively, by having good planning to maintain the sustainability of its business in the long term, including product or service diversification, developing workforce skills, and adapting to market and environmental changes.

Based on the explanations above, in developing a BUMDes development strategy, it is important to consider the unique characteristics of Mandalwangi Village and the aspirations of the local community. Collaboration between the village government, BUMDes, and various related parties will be the key to success in achieving the goals of economic development and welfare of the people of Mandalwangi Village, Tasikmalaya Regency. In order to develop an effective strategy, BUMDES needs to involve various stakeholders, including BUMDES administrators, Village Government and local communities. In this way, BUMDES can work together to achieve sustainable village development goals through sustainable economic efforts.

CONCLUSION

The BUMDes management of Mandawangi Village, Tasikmalaya Regency still lacks a strategy in developing its business, where there are several main weaknesses including the human resources and capital it has, so it implements a strategy in developing BUMDes based on an analysis of the conditions and potential it has. Several

strategies that need to be implemented are carrying out business diversification to reduce risk, by developing several types of business that suit the potential and needs of village communities. BUMDes need to focus on improving services to the community, including improving the quality of products or services offered, as well as providing training and assistance to local entrepreneurs.

BUMDes lack partners in developing their business, so they need to look for partnerships and collaboration with external parties such as financial institutions, universities or the private sector to support business development, which can help in obtaining capital, knowledge and other resources. BUMDes administrators need to focus on empowering village communities in decision making and managing their businesses, so that they can involve training and education to increase the capacity and participation of village communities. Apart from that, there is still a lack of ability to use technology, so it is necessary to make more use of information technology to increase operational efficiency and access a wider market.

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