



Research Article

Optimization of Village Development through Village Funding Business Management and Investment Activities

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Abstract: Village development aims to improve the quality of human life and poverty reduction, through the provision of meeting basic needs, construction of facilities and infrastructure, development of local economic potential, and sustainable use of natural resources and the environment. However, the problem arises that there is no directional strategy in developing an independent village, not yet maximally managing village businesses according to the potential and village needs, there is no managerial and technical mastery regarding BUMDesa management. Therefore, stimulus through training on optimizing BUMDesa management will be very beneficial for the community to be independent by maximizing their self-managed businesses. This service is expected to raise an understanding of independent village development strategies, knowledge in managing village businesses that are in line with village potentials and needs, and managerial and technical mastery of BUMDesa Management.

Keywords: Village Development, Village Business Management, Village Fund Management, BUMDesa.

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INTRODUCTION

Village development is an obligation and responsibility of state politicians in an effort to solve the country's socioeconomic problems (Cristian, 2015). Besides that demanded by the participation of the people of Tilaar (2009), revealed that participation is a manifestation of the desire to develop democracy through a decentralization process in which efforts are being pursued among others the need for bottom-up planning by involving the community in the process of community planning and development.

Participatory development model, it is stated that a project or program can be classified into a participatory development model if the program is managed by the community concerned, not by government officials (Sumodiningrat, 1999). To foster participation in development that benefits all parties involved, it is necessary to think about certain types of facilities that are not only able to increase participation itself but also increase community self-reliance (Sutami, 2009).

Implementation of village development requires organizing that can move the community to participate in village development, as well as carrying out more rational village government administration, not based on emotional demands that are difficult to account for its implementation (Latif, 2014). Management that involves the community directly is expected to be able to drive the economy by empowering the community (Phrase, *et al.*, 2006). Community involvement starts from the beginning of the establishment until the management of the institution. The Village Law accommodates the existence of village

businesses as an embodiment of the village economy (Ridwan, 2014).

Problems found in the field related to the Management of Village-Owned Enterprises (BUMDes). the majority of village apparatuses prefer to use ADD to support village infrastructure development. Lack of initiatives that can encourage the community to maximize the potential of the village with an entrepreneurial spirit. Therefore it is also necessary to arrange investment programs as an inseparable part of the management of village businesses (Hutabarat & Pandin, 2014).

The preparation of investment programs is aligned with key / strategic programs that have been formulated at the stage of program strategy formulation in the context of achieving regional vision and mission. According to (Husnan, 2001) states that an investment project is a plan to invest resources, both giant projects and small projects to obtain benefits in the future.

Through the determination of the investment program, it will obtain proposals for community activities in the institutional, community participation, and sector aspects (Taylor, 2007). Reference material for selecting and determining various needs and preparing the community in implementing the program. The investment program is an important part of the village strategic plan to determine community program priorities based on needs and problems, as well as being a guide in managing resources (physical and non-physical) to achieve the stated goals (Steenbergen, 2016). The concept of investment programs makes it easy for the public or implementers to determine the rules and implementation of activities that are

systematically designed by taking into account the dimensions of integration - integration and engagement between actors (Kaboski & Townsend, 2012). For the community, the investment program as a planning and quality control tool in managing the environment is in accordance with the expected vision and mission. The public can find out more about the consequences of development carried out within a certain period (5 years).

The village that was the object of this community partnership program was the Sekerat Village of East Kutai Regency. Previously the village was called Sekurau, which meant joking. Sekurau village is one of the oldest villages in Bengalon sub-district, formerly included Tenggarong sub-district, Kutai Kertanegara district, then changed to Bontang sub-district, Kutai Kertanegara district, and changed to Sangatta sub-district, still in Kutai Kertanegara district. Due to the spirit of change in 1962 and at that time the Sekurau village was very difficult to get clean water so the sub-district government at that time ordered the Sekurau village government to move the village center and residents to move to the Sekerat until now, precisely in 2005 it was changed to the Bengalon district East Kutai.

Sekerat Village consists of 5 (five) Hamlets and consists of 16 RTs, namely Sekerat Hamlet consists of RT 1, 2, and 3. Mampang Hamlet consists of RT 4, 5 and 15. Sekurau Bawah Hamlet RT 6, 7, 8, 9, and 14. Sekurau Atas Hamlet consisting of RT 10, 11, 12, 13, and RT 16. Each Hamlet is led by a Hamlet Head. The position of a hamlet head is very strategic as there are many village assignments to Kadus in order to maximize the service function to the community in the Sekerat village.

From the results of observations of the Sekerat Village investment program that were to be achieved were not optimal in the participatory assessment process of conditions, resources and roles in the development process. The problems found in the field of lack of productive village businesses as a brand are only limited to production and then throw into the market without giving more added value to the crops produced in the Sekerat Village.

In addition, the village apparatus also lacks an in-depth understanding of the technical and management of village investment management so that this service is a program that can make a positive contribution to the Sekerat Village community. Therefore it is necessary to analyze the Management of Business Entities and Investment Village Funds, especially in the Sekerat Village.

METHODOLOGY

The method to be used in this training is a participatory method, considering that this method is the most relevant for adult learning methods (andragogy) and is also the most suitable for discussing community empowerment programs in development. Training with participatory methods is characterized by respect for the participants, because each participant is believed to have certain knowledge and through active interaction between the participants and the facilitator valuable learning processes can be obtained.

This training focused on efforts to enable participants in the matter of providing material on strategies directed towards the development of an Independent Village, Material Management of Village businesses that match the potential and needs of the village so as to increase knowledge of village communities related to village business management and managerial and technical guidance related to BUMDesa Management by presenters.

RESULTS AND DISCUSSION

The implementation of training activities in the management of village-owned enterprises with the aim of enhancing the capabilities of BUMDes managers, bearing in mind that the BUMDes can also contribute to increasing the original source of income of the village, which enables villages to carry out development and increase people's welfare optimally.

Introductory material is an independent village development strategy through mapping the capacity of village community organizations. The purpose of this step is to map how and what organizations are then presenters will provide an explanation of economic business investment through BUMDesa cooperation aimed at increasing the sources of village revenue by developing cooperation between BUMs Villages and developing a broad range of village socio-economic business services. support of economic activities both developed by BUMDesa, as well as by other village community economic groups and institutions aimed at encouraging the enhancement of BUMDesa's business capacity.

Village Fund Management so far has only been understood as budget expenditure and not as an investment. With the guidance made, the village fund must be viewed as an investment. village funds will be used to mark the overall authority in accordance with the needs and priorities of the village funds but, given the village funds are sourced from the Central Expenditure, to optimize the use of village funds, the Government is given the authority to set priorities for the use of village funds to support village development programs and empower the village community . The priority setting for the use of these funds remains in line with the authority that is the responsibility of the village. The village fund is one of the crucial issues in the village law, calculating the budget based on the number of villages taking into account the population, poverty rate, area size, and level of geographical difficulties in order to improve the welfare and equitable development of villages. Because the issue was so crucial, the senators considered that the administration of village government needed guidance and supervision, especially the organization of village activities.

The investment program is an important part of the village strategic plan to determine community program priorities based on needs and problems, as well as being a guide in managing resources (physical and non-physical) to achieve the stated goals. The concept of investment programs makes it easy for the public or implementers to determine the rules and implementation of activities that are systematically designed by taking into account the dimensions of integration or integration and engagement between actors. For the community, the investment program as a planning and quality control tool in managing the environment is in accordance with the expected vision and mission. The public can find out more about the consequences of development carried out within a certain period (5 years).

Then the material is about budgeting and how the budget is obtained in the village. In this session there is an explanation of the paradigm / concept change regarding income and financing. In the second session the lecturer team presented material on how to prepare financial reports for village funds. The session began with a detailed / technical explanation of the distribution of village funds and how to use village funds in accordance with applicable regulations. This session two material was also completed with monitoring and evaluation of the use of village funds. Delays and cuts in the distribution of village funds were also explained by the interviewees, when explaining the material on sanctions for misuse of village funds. The third session was filled with questions and answers. In this session the participants showed enthusiasm to ask the speakers and lecturer team. Some questions raised by trainees include: village business services through BUMDesa, the stages of capacity building that need to be carried out by village officials. delays in the distribution of village funds, then regarding the preparation of financial reports for village funds.

Optimizing the Management of Village-Owned Enterprises in the Sekerat Village of East Kutai Regency is more emphasized on the empowerment aspect related to the management of village-owned enterprises (BUMDes), the manager has tried to make activities related to the role of the

community in improving the business, so that funds channeled through BUMDes, can properly utilized, so that later it can be accounted for normatively, based on its designation guidelines.

Increasing village microfinance institutions (MFIs) in order to be able to assist the community in achieving their business; Microfinance institutions in Gentuma village are played by individuals, because there are no micro institutions that meet the expectations of the community, therefore in the future there is a need to strengthen the implementation (LKM), so that with these micro-institutions the community will be assisted in terms of the use of facilities easier and more affordable.

Providing guidance in the form of guidance and assistance in the running process of BUMDes. This aims to improve capability in managing BUMDes properly, it is necessary to provide assistance, both from the local government and from universities that understand the BUMDes management model in order to create synergy between the Government, academia and the village community. Sliver so that people's expectations can be achieved properly. HR capacity development is expected to provide added value in the management of village economic assets. Village development aims to improve the quality of human life and poverty reduction, through the provision of meeting basic needs, construction of facilities and infrastructure, development of local economic potential, and sustainable use of natural resources and the environment. Village development is part of a series of national development. Village development is a way and approach of development programmed by the state (government and community) by mobilizing the capabilities it has to develop rural communities (Bebbington, *et al.*, 2006; Wisesa, *et al.*, 2017).

Implementation of village development requires organizing that can move the community to participate in village development, as well as carrying out more rational village government administration, not based on emotional demands that are difficult to account for its implementation. Small and medium business units are formed that can improve the community's economy, human resource capacity development so that it can provide added value in the management of rural economic assets and realize competitive economies of scale for developed economic businesses.

CONCLUSION

From the results achieved through Optimizing the Management of Village-Owned Enterprises in Sekerat Village, East Kutai Regency, an overview of independent village development strategies can be obtained through efforts to provide knowledge about optimizing village institutions and an explanation of efforts to increase sources of village revenue by developing cooperation between BUM Desa and developing a broad range of village socio-economic business services. support of economic activities both developed by the BUM Desa Inter-Village BUM, as well as by groups and other village community economic institutions, this aims to ensure that funds channeled through BUMDes can be utilized properly and also efforts to Increase the role of village Microfinance Institutions (LKM) villages In order to be able to help the community in achieving their business, besides this activity provides direction in the form of guidance and assistance in the process of BUMDes. This aims to improve the ability to manage BUMDes properly, there needs to be assistance, both from the local government and from the university that understands BUMDes management model to create synergy between the Government, academics and Sekerat village community.

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