Did BUMDes's Resources Contribute to Village Economic Development?

Ni Kadek Sinarwati[1*], Nengah Suarmanayasa[2] (iD)

[1,2] Economic Faculty, Ganesha of Education University, Singaraja, Indonesia

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ABSTRAK

Kehadiran Badan Usaha Milik Desa (BUMDes) dengan sumber daya yang tersedia seperti modal, keuntungan dan karyawan diharapkan dapat menjadi motor penggerak pembangunan ekonomi desa untuk mengurangi kemiskinan di pedesaan. Berbagai program telah dilaksanakan untuk meningkatkan sumber daya BUMDes, namun penelitian kontribusi sumber daya BUMDes terhadap pembangunan ekonomi desa masih terbatas. Tujuan dari penelitian ini adalah untuk menganalisis kontribusi sumber daya BUMDes terhadap pembangunan ekonomi desa. Penelitian ini menggunakan pendekatan kuantitatif kausal, dengan menggunakan analisis regresi linier berganda sebagai metode analisis data. Populasi penelitian ini terdiri dari BUMDes yang terdapat di 116 desa di Provinsi Bali. Sampel penelitian dipilih menggunakan teknik random sampling, dengan jumlah sampel sebanyak 116 BUMDes yang telah melaporkan data jumlah modal, jumlah hasil usaha, dan jumlah pekerja. Hasil penelitian menunjukkan bahwa persentase modal dan karyawan berkontribusi terhadap pembangunan ekonomi desa, sedangkan persentase keuntungan tidak. Implikasi dari temuan ini adalah baik pemerintah pusat maupun daerah, termasuk pemerintah desa, memberikan dukungan modal untuk pengembangan usaha BUMDes. Pemerintah di tingkat kabupaten melalui Dinas Pemberdayaan Masyarakat Desa diharapkan dapat memberikan pendampingan berkelanjutan untuk meningkatkan kompetensi SDM di BUMDes. Peneliti selanjutnya disarankan untuk menggunakan data lebih dari satu tahun dan menganalisis sumber daya BUMDes lainnya seperti teknologi, keahlian karyawan, usia BUMDes dan bantuan pemerintah kepada BUMDes.

ABSTRACT

The presence of Village-Owned Enterprises (BUMDes) with available resources such as capital, profits and employees are expected to be a driving force for village economic development to reduce rural poverty. Various programs have been implemented to increase BUMDes resources, but research on the contribution of BUMDes resources to village economic development is still limited. The purpose of this study is to analyze the contribution of BUMDes resources to village economic development. This study used a causal quantitative approach, using multiple linear regression analysis as a data analysis method. The population of this study consisted of BUMDes located in 116 villages in Bali Province. The research sample was selected using random sampling technique, with a total sample of 116 BUMDes that had reported data on the amount of capital, the number of business results, and the number of workers. The results showed that the percentage of capital and employees contributed to the economic development of the village, while the percentage of profits did not. The implication of this finding is that both central and local governments, including village governments, provide capital support for BUMDes business development. The government at the district level through the Village Community Empowerment Office is expected to provide ongoing assistance to improve the competence of human resources in BUMDes. Researchers are further advised to use more than one year of data and analyze other BUMDes resources such as technology, employee expertise, age of BUMDes and government assistance to BUMDes.

1. INTRODUCTION

Development is a process of change for the better. Development is an orientation and endless business activity (Mahadiansar et al., 2020; Rwehumbiza & Marinov, 2020). Economic development is a process where the per capita income of a region/region will increase in the long term (Firmansyah & Astuti,

*Corresponding author.
E-mail: nikadeksinarwati@undiksha.ac.id (Ni Kadek Sinarwati)

2021; Radulescu et al., 2019). All countries in the world carry out development to improve the welfare of their citizens, including Indonesia. One of the development problems faced by countries in the world including Indonesia is the problem of inequality (Djadjuli, 2018; Sinarwati et al., 2020). Inequality between urban and rural development is one of the development problems in Indonesia. The indicator of inequality in urban and rural development is that the poverty rate in rural areas is higher than poverty in urban areas (Mujiwardhani et al., 2019; Ridena, 2021). The results of the March 2021 census show that the percentage of poor people in rural areas is 13.10 percent higher than 7.89 percent in urban areas. Poverty must be handle seriously in Indonesia country (Ishatono & Raharjo, 2016; Sudipa & Nurjani, 2021). Decreasing poverty in rural area is one of strategy for achieve rural sustainable development.

The government's program to overcome the problem of inequality in urban and rural development is the Nawacita program, especially the third Nawacita, namely to build Indonesia from the periphery (Albahri, 2022; Setiawan, 2019). The follow-up to this program was that the government allocates development funds for villages called the Village Fund. The main purpose of distribution village fund is to reduce rural poverty and it similar with urban community fund in Thailand (Boonperm et al., 2013; Mujiwardhani et al., 2019). The allocation fund to the village according to decentralization who allowed local government used their budget for poverty decreasing (Abidin, 2015; Putra, 2017). One of the Village Fund allocations was used to establish Village Owned Enterprises (BUMDes). Villages can establish Village-Owned Enterprises that are managed in a spirit of kinship and mutual cooperation and can run businesses in the economy and/or public services in accordance with the provisions of laws and regulations. The establishment of BUMDes aims to improve the village economy, optimize village assets for the welfare of rural communities, develop cooperation plans, create jobs, increase village original income. The establishment of BUMDes that used village fund is expected to reduce rural poverty and increase village independence (Paellorisky & Solikin, 2019; Rachmawati et al., 2021; Sara et al., 2021; Saragi et al., 2021). As a village social entrepreneur institution, BUMDes should not become a competitor and become a predator for micro-economic actors in the village (Mundayat et al., 2022; Sinarwati & Prayudi, 2021). The achievement of BUMDes objectives was carried out through the development of BUMDes functions which include product consolidation and the production of goods and services, business incubation for rural communities and services for basic and general needs of rural communities. BUMDes as a driver of the village economy has received great attention from the government, especially the Ministry of Villages for Development of Disadvantaged Regions (PDTT). The program run by the Ministry of PDTT by involving BUMDes for rural development was the Village Cash Work Intensive (PKTD) (Sinarwati et al., 2020). The government have been made various efforts to repair and increase BUMDes capacity, they were: (1) trying to build facilities and infrastructure; (2) strengthening BUMDes capital; (3) business network development; and (4) provide training to all parties involved in BUMDes management and also provide socialization to the community about the importance of BUMDes. But in the fact, these efforts did not have made a significant effect to improve the community's economic (Amri, 2019; Ernawati et al., 2021; Handoyo et al., 2021; Kasse et al., 2020). Increasing the capacity of BUMDes was intended to further increase the contribution of BUMDes to rural development.

The presence of BUMDes has contributed to increasing rural development (Hayati & Bariroh, 2021; Srirejeki, 2018). BUMDes in Pejarakan Village was found have positive significant effect to village economic development and support to the village to be an independent village (Larasdiputra et al., 2019; Sukmana et al., 2018). BUMDes has resources consisting of capital, business results and labor. Did BUMDes resources contribute to village economic development? This study aims to analyze the contribution of BUMDes resources consisting of the percentage of capital, the percentage of profit and the percentage of employ to the economic development of the village. The difference between this research and previous research which analyzed the role of BUMDes for rural development lies in: first in terms of approach, this study used a quantitative causal approach, while the previous research used a qualitative descriptive approach. The second difference lies in the object level, this study examines all BUMDes in Bali Province, while the previous study examined one BUMDes or in one village.

BUMDes capital is a number of funds or resources owned and managed by BUMDes to carry out activities in order to achieve the objectives of establishing BUMDes. As a profit-seeking business entity, capital management was expected to make a profit. BUMDes profits were one source of Village Original Income which was used to carry out development, especially economic development in the village. BUMDes is a village business institution that is managed by the community and village government in an effort to strengthen the village economy and build community social cohesion which is formed based on the needs and potential of the village. BUMDes was established with the main objective of carrying out economic business activities through business management, as well as developing investment and economic productivity, and village potential, to achieve this goal, one of the BUMDes employees was needed. BUMDes capital, profits and employees contribute to village economic development, so the hypotheses of this

research are: H1: BUMDes Capital Percentage has a significant positive effect on village economic development, H2: BUMDes profit percentage has a significant positive effect on village economic development, H3: BUMDes employee percentage has an effect significant positive on the economic development of the village.

2. METHODS

This research is a causal quantitative research, which is a study that aims to determine the relationship between two or more variables (Sugiyono, 2018). The research variables are divided into two, they were dependent variable, namely the economic development of the village as measured by the Village Economic Resilience Index (IKE) as part of the Developing Village Index (IDM) which is an indicator of village development (Handoyo et al., 2021; Murliasari, 2021). Village IKE data was obtained through the Ministry of Village website https://idm.kemendesa.go.id. The independent variable is BUMDes Resources which consists of the percentage of capital, the percentage of operating results and the percentage of BUMDes workforce in Bali Province. This study uses the 2021 BUMDes Economic and Resource Resilience Index data. The BUMDes Resource Data was obtained at the Bali Province BUMDes Forum. There are 116 BUMDes spread over 116 villages in Bali Province which have reported data on the amount of capital, the number of business results and the number of workers. This research also uses descriptive analysis and inferential analysis. Descriptive analysis is used to draw the existing data so that the initial characteristics of each variable can be seen. Descriptive statistics used include measures of data concentration such as the mean and measures of data spread such as standard deviation. While inferential analysis is used to generalize or draw conclusions. In this study, the inferential analysis used was multiple linear regression analysis with cross section data type.

In the regression analysis, there are two stages of testing, namely classical assumption testing and goodness of fit model testing. Classical assumption testing to ensure that the resulting model meets the goodness of a model known as BLUE (Best Linear Unbiased Estimator). The classical assumption test consists of the assumption of normality, heteroscedasticity and multicollinearity. While the goodness of fit model test consists of the coefficient of determination, simultaneous test and partial test. The coefficient of determination test is used by looking at the adjusted r square value which reflects how much variation in the dependent variable can be explained by the independent variable. Simultaneous testing using the F test or ANOVA test. This test looks at whether together all the independent variables affect the dependent variable. While partial testing using the T test. This test is used to see the effect of each independent variable on the dependent variable partially or sometimes this test is often called research hypothesis testing.

3. RESULTS AND DISCUSSIONS

Results
Descriptive Analysis
The results of the descriptive analysis of the research variables show the minimum, mean, maximum and standard deviation values which are presented in Table 1.

Table 1. Descriptive of Data

Information	N	Minimum	Maximum	Mean	Std. Deviation
Percentage of BUMDes's Capital	116	0.00013	0.04675	0.0086207	0.00612428
Percentage of BUMDes's Profit	116	-0.00245	0.13752	0.0086207	0.01833524
Percentage of BUMDes's employ	116	0.00171	0.06684	0.0086207	0.00809800
Village Economic Resilance Index	116	0.50000	0.98330	0.7470034	0.11040366
Valid N (listwise)	116				

Data Table 1 shows the average value of BUMDes capital percentage of 0.0086207 with the lowest value of 0.00013 being BUMDes Bumi Sejahtera Sembung in Sembung Village, Mengwi District, Badung Regency with a nominal value of BUMDes capital of Rp. 10,882,872. The highest percentage of capital is 0.04675, namely BUMDes Manik Arta Mulya, Manikliyu Village, Kintamani District, Bangli Regency. The nominal value of BUMDes capital is Rp. 4. 036,054,433. The average value of the percentage of BUMDes operating results is 0.0086207 with the lowest value of -0.00245. The minus value shows that this year BUMDes has experienced business losses. This BUMDes is Kertha Mandala BUMDes, Tegal Kertha Village, West Denpasar District, Denpasar City. The nominal value of BUMDes business losses is Rp. 83,687. 241. The highest percentage of operating results is 0.13752, namely BUMDes Kerta Sari Utama, Kesiman Kertalangu Village, East Denpasar District, Denpasar City. The nominal value of BUMDes operating results

is Rp. 4,689. 992,402. The average value of the percentage of BUMDes employees were 0.0086207 with the lowest value of 0.00171 namely BUMDes Madyamika Karya, Batuaji Village, Kerambitan District, Tabanan Regency with two employees. The highest percentage of 0.06684 was BUMDes Kerta Sari Utama, Kesiman Kertalangu Village, East Denpasar District, Denpasar City with seventyeight employees. The average percentage of the Economic Resilience Index was 0.747003 with the lowest percentage being 0.50000 in Tunjung Village, Kubuaddan District, Buleleng Regency. The highest Resilience Index percentage is 0.98330 in Tampaksiring Village, Tampaksiring District, Gianyar Regency. Of the four data variables, the most varied/heterogeneous with the largest standard deviation is the Village Economic Resilience Index variable with a standard deviation value of 0.11040366 while the most homogeneous data is the BUMDes capital percentage variable with a standard deviation value of 0.00612428

The Classical assumption Test was carried out to determine the condition of the existing data in order to determine the most appropriate analysis model to use. The results of the classical assumption test are as follows: The normality test in this study was conducted to test the normality of the data from each model using the P-P Plot and Kolmogorov Smirnov test. Normality testing aims to test whether the regression model of the confounding or residual variables has a normal distribution. The normality test of this study used the Y=X (450) line. The results of the normality test are presented in Figure 1.
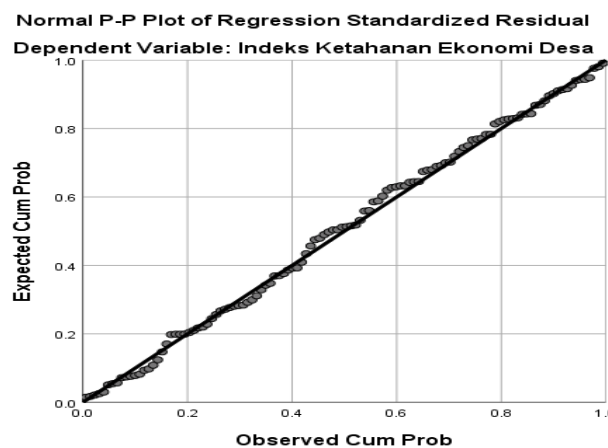

Figure 1. Scaterplot Graph

The second method used to test the normality of the data is to use the significant probability value of Kolmogorov Smirnov. Decision Making Criteria: Reject Ho P-value. The results of normality testing with values from Kolmogorov Smirnov are presented in Table 2.

Table 2. Normality Test Results with Kolmogorov Smirnov

Statistic		Value
N		116
Normal Parameter	Mean	0,0000000
	Std Deviation	0,10640621
Most Extreme Diferences	Absolute	0.044
	Positive	0.035
	Negative	-0.044
Test Statistic		0.044
Asymp. Sig. (2-tailed)		0.200

P-P Graph The residual plot is on the Y=X (450) line, this indicates that the data is normally distributed. This is also supported by the Kolmogorov Smirnov test that the value of z stat = 0.044 < 1.96 and prob. Value = 0.200 > alpha = 0.05 so that the data is normally distributed. Heteroscedasticity is an assumption in regression where the variance of the residuals is not the same for one observation to another. In regression, one of the assumptions that must be met is that the variance of the residuals from one observation to another does not have a certain pattern. Symptoms of unequal variance are called symptoms of heteroscedasticity, while the presence of symptoms of the same residual variance from one observation to another is called homoscedasticity. Heteroscedasticity test was conducted to determine the existence of

deviations from the requirements of the classical assumptions in the regression model, where in the regression model the conditions for the absence of heteroscedasticity must be met.

In this study, the test will be carried out to determine whether there are symptoms of heteroscedasticity by using a scatter plot between the residuals and the predicted value of Y. Decision Making Criteria: the graph forms a certain pattern. The results of the heteroscedasticity test are presented in Figure 2.
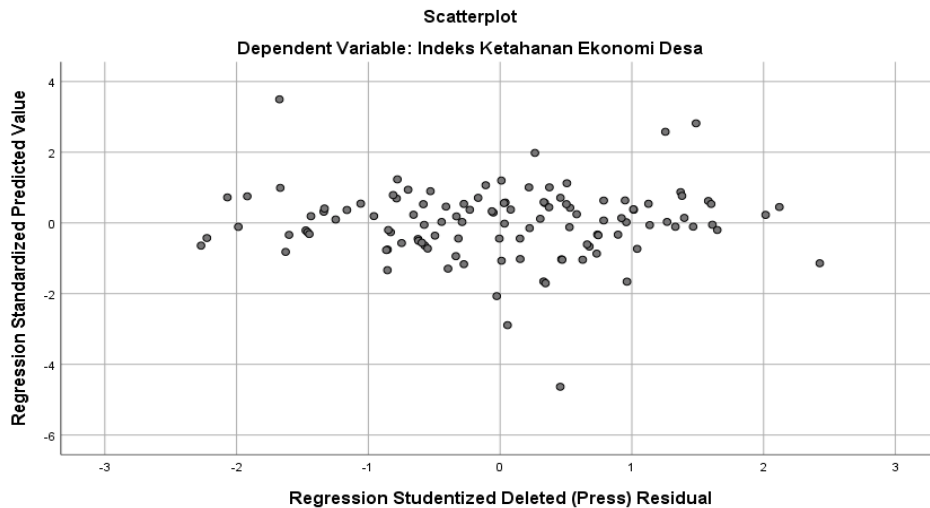

Figure 2. Heteroscedastic

Figure 2 shows the scatterplot graph showing a certain pattern, so it can be interpreted that there are no symptoms of heteroscedasticity or that the data is homoscedastic. The multicollinearity test is used to determine whether or not there is a deviation from the classical assumption of multicollinearity, namely the existence of a linear relationship between independent variables in the regression model. The requirement that must be met in the regression model is the absence of multicollinearity. A model is said to meet the assumption of multicollinearity if the VIF value of each independent variable is < 10. In general, if the VIF is greater than 10, then the variable has a multicollinearity problem with other independent variables. However, if the variable has a value less than 10, it can be said that there is no multicollinearity problem between independent variables. Decision Making Criteria: Reject Ho if the tolerance value is < 0.1 or VIF > 10. The results of the multicollinearity test were presented in Table 3.

Table 3. Results of the Multicollinearity Test

Model	Collinearity Statistics	
	Tolerance	VIF
Percentage of BUMDes's Capital	0.963	1.039
Percentage of BUMDes's Profit	0.644	1.552
Percentage of BUMDes's employe	0.631	1.585

The data in Table 3 shows that all variables value VIF < 10 and tolerance > 0.1, so it can be interpreted that the model is free of multicollinearity assumptions. The Goodness of Fit test was conducted to find out how many percent of the independent variables were able to explain the dependent variable in this research model. The results of the Goodness of Fit test are presented in Table 4.

Table 4. Uji Goodness of Fit

R	R Square	Adjusted R Square
0.267	0.071	0.47

The value of the coefficient of determination of 0.47 means that the variation of the dependent variable (Y) can be explained by the independent variable by 46 percent, the rest by other variables outside the model.

Regression Analysis
Table 5. Hypothesis Testing Results

Model	B	Std. Error	t	Sig.
(Constant)	0.756	0.019	39.217	0.000
Percentage of BUMDes's capital	-3.608	1.673	-2.156	0.033
Percentage of BUMDes's profit	-0.955	0.683	-1.398	0.165
Percentage of BUMDes's employees	3.513	1.563	2.247	0.027

Based on the hypothesis testing results presented in Table 5 shows that the data and the research regression model show t_{stat} (2.156) > t_{table} (1.96) and sign p.value 0.033 < 0.05 so that hypothesis one was accepted. Every one unit increase in the percentage of BUMDes capital was able to increase one unit in village economic development. The second hypothesis stated that the percentage of BUMDes profit has a positive and significant effect on Village Economic Development, the results of t_{stat} (1.398) < t_{table} (1.96) and sign p.value (0.165) > (0.05) meaning that BUMDes profit has no significant effect on village economic development, so that hypothesis 2 was rejected. Increasing one unit of BUMDes profit did not increase one unit of village economic development. Hypothesis three stated that the percentage of BUMDes employees has a significant positive effect on village economic development, the results of t_{stat} (2.247) > t_{table} (1.96) and sign p. value (0.027) < 0.05 so that hypothesis 3 was accepted. Every one unit increase in the percentage of employees was able to increase one unit in village economic development.

Discussion

One way to achieve economic growth in rural areas is through village micro institutions, and one of the micro institutions in rural areas is Village Owned Enterprises/BUMDes (Sirait & Sinaga, 2020; Srirejeki, 2018; Syahza et al., 2021). BUMDes as a village economic legal entity has the authority to manage village potential and assets to meet the needs of village communities. BUMDes has a strategic role to improve village economic development, so that the government, both central and local governments, allocates funds for BUMDes business development. The Establishment of BUMDes is the implementation of productive economic management of the village's potency being carried out in transparent, accountable, cooperative, emancipation, participatory, and sustainable way. The fact means that needs serious effort to make enterprise management to run independent, professionally, effective and efficient (Padmawati, 2022; Suwandana et al., 2015). The central government, especially the Ministry of Disadvantaged Villages and Transmigration (PDTT) has carried out various programs to improve BUMDes businesses. These programs include the Village Cash Work Intensive and the provision of business capital assistance for BUMDes (Sinarwati et al., 2020; Syahza et al., 2021). BUMDes, especially in the Province of Bali, apart from receiving funding from the central government through village funds allocated to BUMDes, several BUMDes in the Province received capital from the regional government of Bali Province, which was named the Mandara Integrated Village Development Movement (*Gerbang Sadu*) program. The amount of initial capital owned by BUMDes in Bali Province is relatively higher when compared to BUMDes in other provinces considering that BUMDes' capital in Bali Province comes from the Provincial Government and from the Central Government (allocation of village funds). The management of BUMDes funds was carried out through various types of businesses, including by conducting savings and loan business units, trading in basic commodities, paying for electricity/water, selling office stationery and managing tourism businesses. BUMDes in Karangasem Regency, provides loans to increase business capital to micro-enterprises in the village, so that micro-business actors are able to increase business productivity and contribute to village economic development (Hayati & Bariroh, 2021; Sinarwati et al., 2021). Government funding for the BUMDes increase the capital in BUMDes and it's contribute to village economic development (Srirejeki, 2018; Watts et al., 2019).

The BUMDes Pakse Bali in Paksebali village, Dawan District, manages the capital they have to run a tourism business, and absorb labor (Sumiasih, 2018). Several BUMDes in Bali Province use capital to provide clean water, provide fertilizer for farmers by collaborating with the Petani Muda Keren community. In line with the previous research which stated that BUMDes capital contributes to village economic development (Fatimah, 2018; Ridlwan, 2013).

This research found that BUMDes profits have not contributed to village economic development. BUMDes profit is one component of the village's original income. Village original income (PADes) is all efforts made by the village government to support the implementation of village governance in the context of implementing village autonomy (Dewi et al., 2017; Saputra et al., 2019). PADes management was carried out based on the principles of being transparent, accountable, participatory, as well as orderly and disciplined, reviewed from planning, budgeting, administration, reporting, accountability to supervision.

BUMDes profits were deposited with the village government to increase PADes. This study found that the presence of BUMDes increased PADes, but PADes management had not contributed to the diversity of village community production, the availability of trade services, and the formation of economic institutions which were indicators of the Economic Resilience Index as an indicator of village economic development in this study. BUMDes profit could not contribute to variety of village product, village community ease access to credit, because BUMDes profit that be component of orginal village income was used to funding village administration governance. The fund used by the village government to run village program and to achieve village economic development come from village fund (Rimawan & Aryani, 2019; Saputra et al., 2019).

The percentage of BUMDes's employees were found have contributed to village economic development. BUMDes's employees carry out BUMDes business unit activities including carrying out savings and loan activities, receiving electricity and water payments, conducting trading activities, village tourism businesses and other businesses. The presence of BUMDes employees carrying out village business unit activities has been able to contribute to the village economic resilience index due to the limited ability of BUMDes workforce in managing village potential. All BUMDes managers stated that their village had potential (Amri, 2019; Sinarwati & Prayudi, 2021).

Indicators of economic resilience (IKE) as one part of the Village Development Index are: A) Diversity of production of rural communities, with indicators that there is more than one type of population economic activity; B) Availability og trade service centers, which consists of indicator: 1) acces of the population to trade centers (permanent shop and semi permanent market); 2) There is a trading sector in settlements (stalls and minimarket); and 3) There is business of food stalls, restaurants, hotels and inns; C). Access to distribution/logistic, which consists of indicator that there are post offices and logistic services; D). Acces to financial and credit institutions, consisting of indicator: 1) Availability of general banking institutions (goverment and private); 2) Availability of Rural Bank (BPR); and 3) Population acces to credit. E) Economics Institutions, which consist of indicators of the availability of people's economic institutions (cooperatives); and F). Regional openness, which consists of indicators: 1) There are public transportation modes (public transportatation, reguler routes and operating hours of publis transportation); 2) Roads that can be traversed by four or more wheeled motorized vehicles (all year round except for the rainy season, except for certain times); and 3) Quality of villalge roads (the wides road in the village with asphalt, gravel and soil).

How BUMDes capital can increase village economic resilience were explained bellow: The amount of capital available in BUMDes were managed for the saving and loans business unit. Village community can borrow funds from BUMDes to carry out productive activities. The productive activities of rural community will produce a variety of product in villlage as one of the indicators of village economic resilience index. The most of BUMDes in Bali Province have saving and loans business unit. The capital in BUMDes were used to help financial funding to micro and small business in rural area. Based on indepth interview with Mrs Ni Kadek Sriani, the treasurer of Artha Krama Mandiri Antiga Kelod BUMDes, in August 1st said that

"Artha Krama Mandiri Antiga Kelod gave financial funding to rural communities. One type of of the funding is productive funding. The communities used the funding to make business like *canang* trade, micro and small convection business and virgin coconut business". Based on indepth interview with Mr. Waya Ridana, the director of Arta Dharma Duta Menanga BUMDes in Menanga Village, Rendang District in Karangasem Regency, in 2 st said that

"The capital in BUMDes were used to help rural communities made trade business, service business and agriculutur business". BUMDes Paksebali in Paksebali Village, Dawan Distric in Klungkung Regency manage their capital to made touristm business. The presence of village touristm will present business of food stalls, restaurants, hotels and inns in the village, so it can be said, the capital of BUMDes had a positive effect to achieve village economic resilience index. The capital in the BUMDes that be used to help te actor of micro small business increase the variety of product in rural areas. The existance of saving and loans business unit BUMDes make the people can accessed credit more easy. Easy access to credit will increase economic activities and economic growth and will have a positive impact on people's welfare, especially in rural areas (Nurjannah & Nurhayati, 2017; Suidarma, 2020).

The employee of BUMDes were part of BUMDes resources wha have positive significant effect to village economic development. The employee managed the BUMDes's capital to acvieve BUMDes goal. The activities that employee did to increase village economic development were run trade unit business to service rural communities basic need. BUMDes Gesing Mandiri in Tiying Gading Village, Selamadeg Barat District in Tabanan Regency have trading business. The presence of BUMDes trading business unit made the acces of rural communities to trade service center more easy and more near. The creativity of BUMDes's employee can be a triger to produce village product variety. For example, the employee of BUMDes Sila Candra in Batu Bulan Village, Sukawati Distric in Gianyar Regency manage village assets to make foot ball business. They rent a soccer field, sold foot ball accessories, so the variety of product in the village was

increase. The effort that can be BUMDes did to develop foot ball business unit were service instructor, foot ball atlets and foot ball equipment. In event village weekly art and sport tournament, BUMDes with rural micro small to sell culinary product. BUMDes employee were found have positive significant effect to Village economic development. The increasing of creativity and competency of BUMDes employee must be done to increase the accelerate village economic goal achievement. The effort that can be done to increase BUMDes's employee competency is by giving sustainable training and mentoring. The creativity and competency of BUMDes's employee were found to increase the BUMDes's performance. Improving the comptenece of BUMDes employee was important because it was proven to be able to increase the productivity (Chikmawati, 2019; Zakaria & Herawati, 2021). The BUMDes employee were the member of village popultion. The better quality of BUMDes employee will increase village economic growth. This research finding that percentage of employee contribute to village economic development. The prediction of BPS population will live in rural area only 27,1% in 2045. An increase in BUMDes resources is needed, because a successful BUMDes will advance the village economy. Village economic growth through BUMDes will prevent population movement from rural to urban areas.

The research findings which state that the percentage of BUMDes's capital and employees contributes to village economic development has implications for government policies, both central and local governments to increase the amount of BUMDes capital in order to increase village economic development. The other suggestion for the Government based on the research finding that stated the percentage of BUMDes's employees contribute to village economic development was, the government should give more attention to increasing of employee's competency by giving sustainable training and mentoring. Synergy betwen local goverment and University were needed to give serious attention to BUMDes management. The limitations of this study were only used one year of data and only analyzes capital, profits and employee as BUMDes resources. Further researchers are advised to use more than one year of data and analyze other BUMDes resources such as technology and employee expertise. The value of Adjusted R Square which was still low, so that future researchers were advised to add other variables, such as technology, employee expertise, the age of BUMDes and government assistance to BUMDes.

4. CONCLUSION

BUMDes resources in Bali Province, especially the percentage of capital and percentage of employees, had a positive and significant effect on village economic development. The indicator of village economic in this research is economic resilliance index refer to regulation of village minister for development of underdeveloped area and transmigration/ PDTT Republic of Indonesia number 2, 2016 about Village Index Building. BUMDes capital in Bali Province was managed to run a trading business, supply fertilizers, and provide capital assistance to micro-enterprises in rural areas, so that with the help of capital, micro-enterprises are able to develop their businesses. The percentage of BUMDes profits was found to have no effect on village economic development. BUMDes profits are deposited into the village government treasury, and become one of the components of the village's original income. The percentage of BUMDes employees has effect on village economic development. The increasing of BUMDes's employees will give more service to micro business actor in the village.

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