



## Evaluation Village-Owned Enterprise Program Through Utilization of Potential Agricultural Sector in Tokbesi Village

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### Abstract

Village-Owned Enterprises can capitalize on the agriculture sector's potential for the benefit of rural residents. Thus, the goal of this research is to describe how the economic operations of Village-Owned Enterprises in Tokbesi Village capitalize on the agricultural sector's potential. This study employs the qualitative descriptive research method. The study's goal was to assess the Tokbesi Village-Owned Enterprises program using Dunn's evaluation criteria, which included effectiveness, efficiency, adequacy, alignment, responsiveness, and correctness. In this study, informants and documents served as data sources. Techniques for analyzing data include data reduction, data display, and making conclusions. The research findings indicate that implementing the Village Owned Enterprise program in Sesa Tokbesi has yet to be maximized due to obstacles such as uncontrolled financial management, transportation facilities to facilitate business units, and miscommunication between administrators. The program's implementation could have helped alleviate poverty and raise Village's Original Income. Still needing to be capable of developing every business unit, particularly in the agriculture sector. Village governments can provide funding opportunities to local food and agriculture entities. The Village Government might create educational institutes and personnel resource training to increase its administrative capacities and skills. Future research is needed to observe village governments plan programs to fulfill the aims of expanding the agricultural industry and boosting the welfare of rural populations.

**Keywords:** Village Owned Enterprises, Potential, Agricultural

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## INTRODUCTION

Efforts to improve people's welfare are crucial and need to get serious attention from the government in empowering the community. In the life of the nation and state, people are also entitled to welfare where the government seeks to provide essential services that are affordable for all people, such as health services, insurance, to the construction of various infrastructures to promote economic growth for the welfare of society, especially in rural areas. BUMDes is a village-owned enterprise that aims to empower communities by managing local resources professionally while maintaining their values (Zunaidah, 2021). BUMDES can play a role in developing the agricultural sector in rural areas (Kurniawanto & Anggraini, 2019). By utilizing the agricultural

sector's potential, BUMDES can create real businesses that are following the potential in the village to maximize benefits and profits for the community (Dima, 2022).

Village Owned Enterprises (BUMDes) are programs created by village officials and the local community as part of village meeting activities. Village-Owned Enterprises (BUMDes) are referred to as programs because, like other programs, they have expectations in terms of what is expected from the program and estimates of the budget expenditures required to ensure full implementation of the newly established program. Of course, from the basis of the Village Owned Enterprises (BUMDes) program, there is hope that the program will provide welfare for the village community, and funds will be allocated to ensure the smooth running of the program. In addition, the purpose of Village Owned Enterprises (BUMDes) in the perspective of Law Number 6 of 2014 concerning Villages is to improve the economy of rural communities by optimizing village assets for village welfare and increasing community efforts in managing them. BUMDes is established by Law Number 23 of the 2014 Regional Government, which allows villages to establish their businesses (Rampengan, 2019; Nasution & Taher, 2020).

Previous research has shown several problems faced by BUMDesa in increasing agricultural output, such as a need for more capital and human resources (Elva, 2020). Research also shows that BUMDesa can support village economic independence, but efforts need to be made to increase the role and performance of BUMDesa. In addition, BUMDesa management also needs to be improved through research and comparison of BUMDesa management in various regions (Sosiawan, 2022). BUMDesa can also be an intermediary institution that connects agricultural commodities with markets. So it is vital to overcome the inhibiting factors of BUMDes in managing agricultural products by carrying out strategic planning.

One way is to increase the capital and human resources owned by BUMDes (Wirandini & Prasetyia, 2022). In addition, optimizing BUMDes management can also be carried out to increase Village Original Income (PADes) (Filya, 2017). Government support is also essential in developing BUMDes (Setiana et al., 2021). In addition, increasing community involvement in the BUMDes program can also be carried out to develop businesses (Ibrahim, 2019). Therefore, it is necessary to increase the capital and human resources owned by BUMDes. In addition, optimizing BUMDes management, government support, and increasing community involvement in the BUMDes program to overcome BUMDes inhibiting factors in managing agricultural products.

BUMDes Tokbesi is a BUMDes located in Tokbesi Village, which is included in the South Biboki District, North Central Timor Regency. Tokbesi Village has much potential. Based on this, the Tokbesi Village government seeks to take advantage of various opportunities by establishing and operating a BUMDes, established on December 6, 2017, by Tokbesi Village regulations Number 5 of 2017 concerning the formation, management, and management of Village-Owned Enterprises (BUMDes). Furthermore, the Tokbesi village government formed six BUMDes management bodies, including the director, secretary, BUMDes treasurer, and three BUMDes management bodies selected at a village meeting attended by all Tokbesi Village residents.

The establishment of BUMDes in Tokbesi Village, South Biboki District, North Central Timor Regency, was based on a joint agreement between the Tokbesi Village Consultative Body and the Village Head through the stipulation of Village Regulation Number 5 of 2017 concerning the Establishment, Formation, Management of Village-Owned Enterprises, with the hope that there will be BUMDes in Tokbesi Village which can improve the village economy, BUMDes were established in 2017 through village council with the help of the community. The village gathering resulted in the development of several BUMDes business units, including service counters, service business units, and agricultural and livestock product trading business units. As a result, each BUMDes business unit received capital investment to be developed in early 2019. The purpose of this research is to explain how the business activities of Village-Owned Enterprises utilize the potential of the agricultural sector in Tokbesi Village.

## METHOD

The research method employed in this study is qualitative research. According to Moleong (2014), through various scientific methods, qualitative research aims to comprehend phenomena experienced by study participants in a unique natural context, such as behavior, perception, motivation, action, and language. Tokbesi Village is in South Biboki District, North Central Timor District, East Nusa Tenggara Province. The primary goal of this study is to collect and analyze data linked to research problems: The evaluation of the Village Owned Enterprise Program in Tokbesi Village through the utilization of the Agricultural Sector's Potential. The author will describe the outcomes of implementing the Tokbesi BUMDes program using Wiliam N. Dunn's (2015) six policy evaluation criteria: effectiveness, efficiency, adequacy, alignment, responsiveness, and accuracy.

Informants and documents were used to collect data. Identifying informants using a purposive sampling technique. Purposive sampling is a technique for selecting informants or sources with specific objectives based on the study theme because the person is thought to have the information required by the researcher. In this example, the writers chose informants who were thought to be knowledgeable about the topics under investigation and could provide information that might be used to collect data. At the same time, the documents gathered are written data on topics closely relevant to the research object. Furthermore, data collection procedures such as observation, interviews, and documentation are used. Data reduction, presentation, and conclusion were used for data analysis (Miles et al., 2014).

## RESULTS

Based on the regulatory basis for the formation of the Tokbesi BUMDes, the existence of the BUMDes is intended to meet the needs of the community through the aspirations collected in implementing village meetings. Therefore, the community and government of Tokbesi Village also formed Tokbesi BUMDes, which operates in several business units described in the initial point, namely, official counter business units, service business units, and agricultural and livestock product trading business units. This BUMDes is directed to meet the daily needs of the Tokbesi village community, namely serving broiler chickens, cattle farming, and weighing produce.

The establishment of the Tokbesi BUMDes business unit was studied based on mapping its potential. However, most villagers work as farmers in the agricultural and livestock sectors. In addition, the broiler business unit is directed to meet the community's needs, considering that the distance between the village and the regency capital is quite far, causing it to be difficult for the community to fulfill food needs. As for the business unit selling cattle and weighing agricultural products, it was formed to make it easier for the public to market the agricultural commodities and livestock they produce, bearing in mind that based on village potential data, cattle and agricultural products can be categorized as only commodities.

**Table 1.** Data on the Potential of the Agricultural Sector in Tokbesi Village

No	Description of Natural Resources	Amount	Unit
1.	Agriculture		
	A. Land ownership		
-	Owns agricultural land	234	Control Action Plan
-	Do not have	-	Control Action Plan
-	Have less than 0.5 ha	-	Control Action Plan
-	Have 0.5-1.0 ha	115	Control Action Plan
-	Owns more than 1.0 ha	115	Control Action Plan
-	Total number of Control Action Plans	228	

	B. Crops		
	- Corn	60	Kg/Year
	- Paddy	25	Kg/Year
	- Peanuts	8	Kg/Year
	- Long beans	2,13	Kg/Year
	- Tourist nuts	2,7	Kg/Year
	- Cassava	3	Tons/Year
	- Sweet potato	3	Tons/Year
	C. Fruits		
	- Mango	5	Kg/Tree/Year
	- Orange	0,7	Kg/Tree/Year
	- Papaya	5,10	Kg/Tree/Year
	- Banana	25	Kg/Tree/Year
	- Pineapple	8	Kg/Tree/Year
	- Jackfruit	557	Kg/Tree/Year
	- Lime	200	Kg/Tree/Year
	D. Pharmacy plants live		
	- Turmeric	/2,5	Kg/Are
	- Ginger	/0,5	Kg/Are
	- Galangal	/0,9	Kg/Are
	- Betel leaf	/0,7	Kg/Are
	- Lemongrass leaves	30	clump
2.	Plantation		
	- Coconut	500/1600	Fruit/Tree/Year
	- Betel nut	825	Fruit/Tree/Year
	- Cashew	30.000	Fruit/Tree/Year
	- Candlenut	37	Fruit/Tree/Year

Source: Tokbesi Village Government Data 2021

Table 1 shows data on the agricultural sector's potential in Tokbesi Village, where most agricultural products are dominated by jackfruit and lime. However, the research findings show that BUMDes Tokbesi failed to run a business unit in the agricultural sector. This is caused by several factors, including Several inhibiting factors include uncontrolled financial management, transportation facilities to expedite BUMDes business units are still minimal, miscommunication between administrators, and the Saroja storm natural disaster, which resulted in agricultural and livestock business units bit by bit slightly decreased in number so that in the end this business unit could no longer operate. To examine the implementation of business unit activities provided by the Tokbesi BUMDes in-depth, of course, requires an evaluation activity. As explained in the previous point, to evaluate the implementation of the Tokbesi BUMDes program, the author uses several evaluation criteria proposed by Dunn, along with an analysis of the implementation of the Tokbesi Village BUMDes program through the establishment of business units.

Effectiveness is a decision criterion used to suggest solutions to policy problems. Effectiveness is defined as whether an alternative action achieves the expected results or achieves the goal of acting regarding aspects of technical rationality and is always measured from product or service units. In implementing public policy, effectiveness is measured by the success in achieving the goals and objectives set in public policy (Dunn, 2015). based on research results, it is known that the implementation of the Tokbesi BUMDes program has yet to achieve maximum results. This was reinforced by statements from informants who generally explained that the benefits of implementing the BUMDes program itself were unevenly distributed. This differs from the ultimate goal of implementing the program, including improving the village economy and optimizing village assets. Hence, they are helpful for village welfare, increasing community

businesses in managing village economic potential, and increasing village community income and village original income (Nasution et al., 2022).

Efficiency is one of the criteria that has a close relationship with the criteria of effectiveness or achievement of results/realization of the goals that have been set. Talking about efficiency will be directed at the optimal use of resources to achieve a specific goal. Efficiency, synonymous with economic rationality, is the relationship between effectiveness and effort, generally measured in monetary costs. Efficiency is usually determined by calculating the cost per unit of products and services. The research results are related to efficiency criteria, namely how much effort is needed to achieve the desired results. Establishment of the Tokbesi BUMDes program through the results of village meetings by establishing three BUMDes units, namely the official counter business unit, the service business unit, and the agricultural and livestock products business unit, and each BUMDes business unit has opportunities and gets support both from the potential aspects of the village and related with capital participation from the village government.

However, based on an explanation of the effectiveness criteria, it was found that the Tokbesi BUMDes program had yet to achieve maximum results; of course, it impacted the achievement of efficiency criteria. Therefore, the implementation of the Tokbesi BUMDes program has not been efficient. This can also be seen from the level of achievement of each BUMDes business unit, namely the ever-decreasing level of income in the cattle sector and accommodating agricultural products, where based on research results, it was found that not all people can take advantage of every service provided by BUMDes. This certainly cannot positively contribute to achieving the final goal.

Adequacy criteria regarding how far a level of effectiveness satisfies needs, values, or opportunities to solve problems. The adequacy criterion emphasizes the strength of the relationship between policy alternatives and expected outcomes. The results of the study show that alternative policies through programs set and implemented by the Tokbesi BUMDes have yet to be fully able to solve the problems faced by the community, specifically in fulfilling needs. This is because all communities have yet to access the services provided by BUMDes Tokbesi. Therefore, not all community groups can take advantage of the business units provided by BUMDes to meet needs or solve problems.

The leveling criterion is closely related to legal and social rationality and refers to the distribution of effects and efforts between different social groups. A smoothing-oriented policy is one in which consequences (e.g., units of service or monetary benefits) or effort (e.g., monetary costs) are fairly distributed. Policies designed to distribute income, educational opportunities, or educational services are sometimes distributed based on equity criteria. The similarity criterion is closely related to competing conceptions of justice or fairness and ethical conflict.

The results showed that the funds distributed to the three business units amounted to Rp. 25,000,000. The distribution of funds for each BUMDes business unit includes the business unit official counter, BUMDes capital of Rp. 1,841,000, the service business unit obtains BUMDes capital of Rp. 610,000, and the trading business unit of agricultural products and livestock obtains BUMDes capital of Rp. 20,965,000. This condition shows that the funds allocated for agricultural and livestock products are still low. Seeing the high agricultural output in Tokbesi Village, it is best if the village government can prioritize and focus on the leading sector, which can increase Village's Original Income. The size of the Village Fund budget will not only focus on physical infrastructure but also increase the empowerment of rural communities through village business units in managing the agricultural sector.

The mechanism for distributing the funds is carried out transparently because everything has been stated in the AD/ART regarding the distribution of funds and profits. The distribution of funds also depends on the potential of each unit. Regarding the benefits or results obtained from the Tokbesi BUMDes program, residents feel the benefits are unevenly distributed. Some people have felt the benefits and have yet to have the chance to feel the benefits. These results were obtained directly through interviews with research informants. Based on the research results, equalization in the context of resource distribution for each business unit has been carried out evenly and adjusted

to the potential of each business unit. However, in the context of equal distribution of benefits to the community, it cannot be optimal because not all community groups have benefited from the availability of business units.

Responsiveness refers to how far a policy can satisfy the needs, preferences, or values of particular groups of people. The criterion of responsiveness is vital because an analysis that satisfies all other criteria of effectiveness, efficiency, adequacy, and similarity still needs to respond to the actual needs of the groups that should benefit from the existence of a policy. Based on the research results, it was found that the existence of BUMDes in Tokbesi village has yet to be able to meet the needs of the residents. This is based on the results of interviews in the field; some people said they had yet to feel the benefits of BUMDes in fulfilling their needs. Therefore, the formation of BUMDes in Tokbesi village has not been able to meet the needs of all communities.

Appropriateness criteria are closely related to rationality and substantive because policy appropriateness is not related to individual criterion units but two or more criteria. Accuracy refers to the value or price of program objectives and the strength of the assumptions underlying these objectives. Research results, in this criterion, refer to the desired results or goals that are effective. Based on the research results, it was found that the BUMDes program had felt little value. This is one of the causes, namely when BUMDes Tokbesi was still running, there was a partnership between BUMDes administrators. Over time, miscommunication between administrators started to appear until the program experienced a bottleneck.

From the results of this study, the results of the BUMDes program are indeed beneficial. However, not all community groups benefit from the presence of BUMDes business units. Therefore, it impacts the value obtained from establishing the Tokbesi BUMDes program that still needs to be created/is not optimal.

## DISCUSSION

Tokbesi Village Government can support BUMDes (Village Owned Enterprises) in utilizing agricultural potential by providing funding opportunities for local entities in the food and agriculture sectors. The government can also allocate more Village Funds for BUMDes capital to generate a productive economy in the countryside. In addition, the Tokbesi Village government can provide an education and training center for BUMDes human resources to improve their managerial capacity and skills. Mobilizing BUMDes requires support and assistance from both the government and the private sector. The Tokbesi Village Government must maximize BUMDes, especially the farming community in Tokbesi Village. By providing this support, the Tokbesi Village government can help BUMDes become one of the drivers of the economy and improve the welfare of the people in the village.

The benefits of the Tokbesi Village government's support for BUMDes (Village Owned Enterprises) in the agricultural sector are numerous. BUMDes of Tokbesi Village can be essential in revitalizing the economy and promoting equitable development by increasing access for people who depend on agricultural land. The support from the Tokbesi Village government can also help BUMDes reach its full potential and improve the welfare of the village community. By providing funding, feasibility studies, and community adaptation in the new agricultural sector, BUMDes can provide funding opportunities for local food and agriculture sector entities to strengthen community livelihoods. In addition, the Tokbesi Village government can establish a BUMDes human resource education and training center to improve managerial capacity and skills. BUMDes can also take advantage of social capital to increase economic growth. Overall, the support from the Tokbesi Village government is expected to help BUMDes become one of the drivers of the economy and improve the welfare of the people in the village.

## CONCLUSION

Several conclusions can be drawn based on the analyses presented in the preceding points; First, the effectiveness of implementing the Village-Owned Enterprises (BUMDes) program in

Tokbesi village has not been maximized, owing to several impediments such as uncontrolled financial management, insufficient transportation facilities to facilitate BUMDes business units, and miscommunication between administrators. Second, implementing the BUMDes program developed due to village meetings can be inefficient because the Tokbesi BUMDes program through business units could not reach the targets set. Third, adequacy refers to the outcomes of executing the BUMDes program in Tokbesi village, which has failed to alleviate problems like poverty and boost the Village's Original Income. Fourth, in developing each BUMDes business unit in Tokbesi Village, the distribution of funds to each BUMDes business unit are distributed evenly according to the level of needs of each business unit. However, in terms of equal distribution of benefits, not all community groups in Tokbesi Village have yet felt. Fifth, responsiveness, the BUMDes program's execution to meet/satisfy the needs of the Tokbesi community has not been distributed. Sixth, Accuracy, the intended outcomes of creating the BUMDes program in Tokbesi village include poverty alleviation and increased Village Original Income for the Tokbesi village community's welfare. However, based on study findings, the BUMDes program's results or intentions to solve many problems have not been realized to their full potential.

The Tokbesi Village Government must assist Village-Owned Enterprises in the agricultural sector. The government can give financial opportunities to local food and agriculture entities. To establish a productive economy in the countryside, the government can also grant more Village Funds for BUMDes capital. Furthermore, the government can set up education and training institutes for BUMDes personnel resources to strengthen their managerial capacities and skills. Overall, the Tokbesi Village government's assistance can help BUMDes become a driving force in the economy and improve the welfare of the people in the village. Future research is needed to determine how the village government plans programs to attain the target objectives of developing the agriculture industry and enhancing rural community welfare.

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