



RURAL SOCIO ENTREPRENEUR THROUGH VILLAGE-OWNED ENTERPRISES (BUMDes) IN TEGALWARU BOGOR

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Abstract

Village economic progress can create because of the contribution of a strong rural economy. At the same time, there are certain advantages to living in rural areas (rural). Some drawbacks include the absence of facilities and infrastructure necessary to support the input process and post-rural production, making it difficult for rural businesses to compete on a level playing field. Therefore, an effort is needed to overcome economic problems, especially by developing the concept of *socio-entrepreneur* in rural communities (rural). This study used qualitative research methods, and the research carries out in Tegalwaru Village, Bogor. Data collection used several techniques, namely in-depth interviews, non-participant observations, and documentation studies. The results of the research Tegal Waru Village is one example village that has developed the concept of a rural entrepreneur well with the help of the Foundation. The role of Bumdes already exists, but it is not yet effective. Bumdesa can do licensing and marketing assistance to invite wider parties. Some activities need to be developed through Edu Ecotourism and oil palm tourism.

Keywords: *Development, Socio Entrepreneur, BUMDes*

INTRODUCTION

The concept of development and society refers to the preamble of the 1945 Constitution in Paragraph 4 of the concept of the welfare state, which is often also called the *welfare state*. The welfare state is reflected in inequity and social justice through social services for the entire population of the Indonesian people without exception, both rural and urban areas, so that social welfare can be realized (Hosein, 2016). The phenomenon of poverty in rural areas seems never to end, always struggling with classical reasons such as unequal access and low human resources as described by Sahdan (Sahdan, 2005), who argues that the causes of poverty in villages are: (1) low education ; (2) inequality of ownership of capital and agricultural land; (3) unequal investment in the agricultural sector; (4) limited credit budget allocation; (5) limited availability of necessities; (6) traditional economic management; (7) low productivity and capital formation; (8) undeveloped saving culture; (9) the absence of social security for the village community; and (10) low health insurance. One of the efforts to increase social prosperity is to develop *socio-entrepreneurs* for rural communities. Midgley in (Adi, 2018: 4), social welfare is described as "a condition or condition of human life created when various social problems can manage properly; when human needs can meet, and when social opportunities can be met maximized."

One of the government's missions is to develop rural areas through community empowerment to increase the productivity and diversity of rural businesses.

The availability of facilities and facilities to support the rural economy, building and strengthening institutions that support production and marketing chains, and optimizing resources as the basis for economic growth. Rural. The aim is to provide regional and rural capabilities opportunities for the regional and national economies (Prihatin et al., 2018). The era of globalization is marked by advances in technology and information (Fakhrurrazi. et al., 2021), so the village also needs to transform following the changing times.

BUMDes was born as a new approach to improve the village economy based on the needs and potential of the village. The management of BUMDes is fully implemented by the village community, namely from the village, the village, and the village. The way BUMDes work is to accommodate the community's economic activities in an institutional form or business entity that is managed professionally but still relies on the original potential of the village. This activity can make community businesses more productive and effective. In the future, BUMDes will function as a pillar of national independence and an institution that accommodates community economic activities that develop according to village characteristics to improve the welfare of rural communities (Prihatin et al., 2018). Before the Covid-19 pandemic, BUMDes were discussed a lot and were expected to be a new direction to increase the resilience of rural communities. After this pandemic ends, the business world is expected to recover, and BUMDes can become the driving force of the village community's economy so that villages are expected to become comfortable homes for every citizen as the motto "Village Heaven" which was echoed by the Ministry of Villages in implementing Presidential Regulation Number 12 of 2015 concerning the Ministry of Villages, Development of Disadvantaged Regions and Transmigration.

Village-Owned Enterprises/Social Entrepreneurs (BUMDes) are village businesses formed/established by the village government whose capital ownership and management are carried out by the village and the government community (Wiwoho & Kholil, 2012). A more comprehensive definition of Village-Owned Enterprises (BUMDes) is contained in Law Number 6 of 2014, where Village-Owned Enterprises (BUMDes) are business entities. An entity whose capital is wholly or most of the capital owned by the village through direct participation from village assets separated to manage assets, services, and other businesses for the maximum welfare of the village community. Village-Owned Enterprises (BUMDes) can also be interpreted as village business institutions managed by the community and village government to strengthen the village economy and are formed based on the principle of village needs and potential (Center for Development System Development Dynamics, 2007). The

Potential Village, in this case, is a benchmark for making village businesses. According to the Minister of Home Affairs Regulation No. 39 of 2010, Village Business is a type of business in village financial services such as service business, distribution of nine basic commodities, trading of agricultural products, and industry and people's crafts. As an economic development institution for rural communities, BUMDes have several objectives. The purpose of establishing BUMDes is to increase the village's original income to increase the capacity of the Village Government in administering government and development and community service. To develop economic potential in rural areas, encouraging the development and economic capacity of rural communities and creating job opportunities (Herman, Dion Ahmad). Armadi, 2021). Institutions that greatly contribute to the economy are Micro, Small, and Medium Enterprises (MSMEs), where MSMEs are mostly located in rural areas (Indra I., M. et al., 2021). During the pandemic, the applied MSME business will change. The Covid-19 protocol must implement. However, MSME activities must continue (Novika F., & Gumbira A., 2020).

Henceforth, *socio-entrepreneurs* can be developed in villages based on appropriate regulations and village characteristics that have the potential to form a concept of *social enterprises* in rural communities. The concept of *Social Enterprises* as quoted from (Maksum et al., 2018).

METHOD

This study uses a qualitative research method because the researcher reveals and interprets naturally and authentically various phenomena about rural socio-entrepreneurs that occur in the community related to the context of this research. By judging from the aspect of using the method to be applied, it is categorized as a type of survey research that aims to explain a phenomenon (explanatory research) that aims to obtain biological data from a place (Mustahiqurrahman B. et al., 2022). Data collection techniques, namely in-depth interviews, non-participant observations, and documentation studies. The data obtained from this research are documents/archives, *field notes*, photos, and recorded interviews.

RESULTS AND DISCUSSION

This study collected data through interview techniques with sample selection using *the purposive sampling method*. The resource persons in this study were: 1) rural *socio entrepreneur* developers in Tegal Waru, namely Mrs. Tatik Kancaniati; 2) The head of Banjarsari village, Tegal Waru, Mr. Lukmanul Hakim; and 3) SMEs in the village of Mr. Budi. Data analysis in this study used qualitative methods following Neuman's description. The results obtained based on the stages are as follows:

The main points that are conceptualized for the development of socio-entrepreneurs in rural areas are:

A. Environmental conditions and *human capital*

Geographically, Tegalwaru Village is located at an altitude of 200-500 miles above sea level, generally an agricultural area with an average daily temperature of 25 – 35 °C. Tropical conditions in the village influence the residents' fields, especially farming and livestock. Tegal Waru Village has 12,429 people from 3,293 Family Cards, most working as farmers and entrepreneurs.

The beautiful geographical situation is also supported by good governance. The organizational structure and work procedures of the Tegalwaru village government are guided by the Bogor Regency Regional Regulation Number 29 of 2004 concerning village regulations and based on the Tegalwaru Village Head Decree Number 3 of 2011 concerning the Organization and Work Procedure of the Benteng Village Government. The village government is led by a Village Head who is assisted by the Head of Affairs and technical implementation elements. There is 1 Village Secretary, 5 Heads of Affairs, and a treasurer managing village finances.

The economic condition of Tegalwaru Village can be seen from the livelihoods of the community members, which farmers and artisans dominate. The amount of land has potential to work on, both in plantations, fisheries, and livestock. In general, the education level in Tegalwaru Village is relatively low, with 1235 elementary school graduates, 219 junior high school graduates, 93 senior high school students, 27 college graduates (D1-D3), and 51 undergraduates. In addition to general education, 50 people attend special education in skills and 90 in religious education.

The strongest reason that encourages the creation of *socio-entrepreneurs* in Tegalwaru village is the economic factor. Fulfilling daily needs by developing the potential that has been owned is considered effective in increasing the *entrepreneurial* spirit in the village of Tegalwaru. In addition, the existence of a supporting institution, namely the Kuntum Indonesia Foundation.

Which provides facilities in the form of providing online and offline market links, capital loans, assistance (training, bookkeeping, cataloging, marketing), innovation development, and various social programs also have an important role.

B. The potential for developing BUMDes through the development of *socio-entrepreneurs* after the enactment of Law Number 6 of 2014 concerning Villages.

BUMDes was born as a new approach to improve the village economy based on the needs and potential of the village. BUMDes management is fully implemented by the village community, namely from the village, the village, and the village. The way BUMDes works is by accommodating the community's economic activities in an institutional form or business entity that is managed professionally but still relies on the original potential of the village. This activity can make community businesses more productive and effective. In the future, BUMDes will function as a pillar of the nation's independence and an institution that accommodates community economic activities that develop according to village characteristics to improve the welfare of rural communities (Prihatin et al. 2018).

Tegal Waru Village has established MSME activities that are first conducted independently. The business specifications are classified according to the RW region. Table 1 contains the specifications.

Table 1 Business specifications in Tegal Waru Village

RW	SMEs	Amount
01	Weaving artisans, Bamboo booths, Bag production, Accessories industry, and Cracker industry	5 SMEs
02	Blacksmith Business and Sandal Business	2 SMEs
03	Herbal medicines and ornamental plants	2 SMEs
04	Coconut juice industry, Nata De Coco. Catfish breeding, puppet show, and livestock industry	5 SMEs
05	Soy Sauce, Vinegar, Sauce, Orson Drink, and Pindang Fish Production	5 SMEs
06	Plant Cultivation and Mushroom Cultivation	2 SMEs

To get an idea of the business specifications of Tegal Waru Village can be seen in Figure 1.

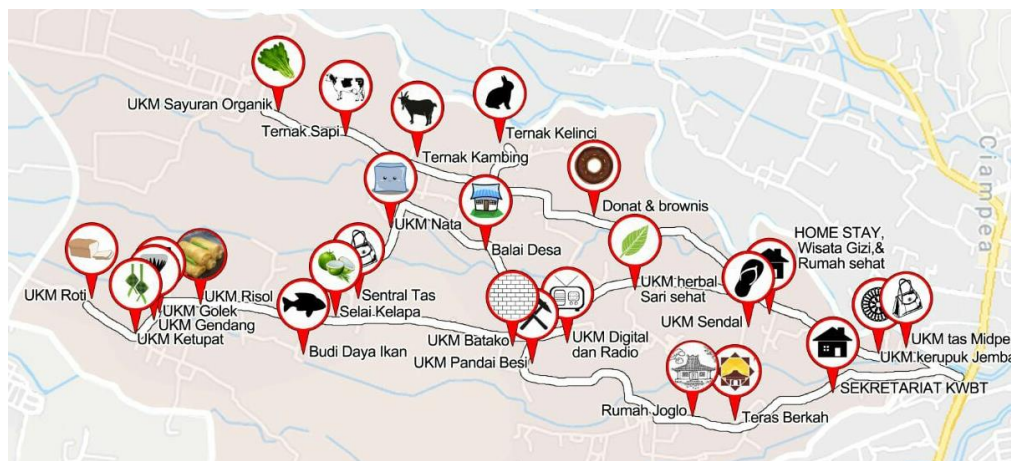


Figure 1 Floor Plan of UKM Tegal Waru

In managing MSMEs, a foundation helps the community named the Kuntum Indonesia Foundation. The role of the Foundation is as a social institution to help provide markets, provide capital, and assistance in the form of bookkeeping training, marketing training, and cataloging. As a follow-up activity, innovation and other social programs are needed to increase MSMEs in Tegal Waru Village through the assistance of BumDes. In addition to the rural ministry, the improvement of MSMEs can also carry out by granting establishment permits or donors for MSME activities.

In terms of development by BumDes, BumDes has the potential to work on Edu AgroWisata through oil palm tourism. In Tegal Waru village, since the beginning of 2016, efforts have been made to develop it, but there has been no follow-up due to Covid-19 and PTPN licensing.

CONCLUSION

Tegal Waru Village is one example village that has developed the concept of a rural entrepreneur well with the help of the Foundation. The role of Bumdes already exists, but it is not yet effective. Bumdesa can do licensing and marketing assistance to invite wider parties. Some activities need to be developed through the Edu Ecotourism concept and oil palm tourism.

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