

EVALUATION OF VILLAGE FUND BUDGET MANAGEMENT IN BUSINESS CAPITAL PARTICIPATION IN VILLAGE-OWNED ENTERPRISES

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Abstract

The provision of Village Fund Allocation is a manifestation of the fulfillment of the village's right to exercise its autonomy it grows and develops following the growth of the village itself based on diversity, participation, original autonomy, democratization, community empowerment, and increasing the role of Village Government in providing services and improving community welfare as well as spurring the acceleration of regional development and growth. This study aims to determine the evaluation and strategy in village fund management with capital participation from Village Funds. This research uses qualitative approaches and methodologies in data collection as well as data presentation. The informants in the study were all Village Governments in the Konawe Regency area that had village-owned enterprises with the criteria of Independent and Developing Villages, Problem Villages, and Developed Villages. The process of data analysis in this study went through three stages, as follows. First, is data classification. Second, data interpretation is an activity that combines the results of the analysis with statements to find the meaning of data collected in the field to answer problems and researchers' efforts to interpret data that can be taken by reviewing symptoms based on their point of view, comparison with research that has been done. Third, data presentation. The strategy of mentoring and coaching by the local government, especially through the Village Community Empowerment Office of South Konawe Regency to encourage the development of Village-Owned Enterprises in each village, has not been able to answer the challenges and problems in business development.

Keywords: Budget Management; Village Funds; Capital Participation; Village-Owned Enterprises

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INTRODUCTION

The Government of Indonesia continues to strive to improve the implementation of National Development so that the pace of regional development and the pace of rural and urban development are more balanced and harmonious. However, national development in its implementation is still faced with the main development problems such as development inequality between villages and cities in Indonesia. Development Inequality occurs due to many factors that influence it so development in Indonesia is uneven and has an impact on high poverty in Indonesia. In response to these problems, the government's strategy to overcome development inequality is to implement national development that pays great attention to village development.

The provision of Village Fund Allocation is a manifestation of the fulfillment of the village's right to exercise its autonomy it grows and develops following the growth of the

village itself based on diversity, participation, original autonomy, democratization, community empowerment, and increasing the role of Village Government in providing services and improving community welfare as well as spurring the acceleration of regional development and growth. Village Fund Allocation is a fund given to villages derived from the central and local government financial balance funds received by the Regency / City. Village Fund Allocation is very important to finance the development of underdeveloped areas in a development area system. The implementation of the Village Fund Allocation is intended for physical and non-physical programs related to Village Development indicators, including education level, community income level, and health level.

Budget management by the mechanisms contained in applicable regulations. Village fund budget management is expected to follow generally applied guidelines by the government, including budget management. A budget is a key tool in the management control of any organization (Aquilino-Navarro et al., 2022). Budget management and control following financial plans both short and long-term. This is one aspect of the process in the financial management model (Satityapong et al., 2022).

The study in the Turkestan region, Kazakhstan identified several factors influencing effective citizen participation in local budget management including lack of awareness and timely information about upcoming planning and budget meetings (56.4%), inadequate transparency in the actions of local executive leaders (Akims) (14.3%), bureaucratic complexity and formal approach to budget discussions (3.5%), and low levels of citizen trust in rural Akim district (5.4%) (Ismailova et al., 2023).

Village funds are used to improve the quality of development planning and budgeting at the village level and empower rural communities. Indonesia has previously embarked on policy experiments since 2001 to empower local governments to autonomously create and implement development plans. Furthermore, in 2015 there was a regional development policy that was handed over to the smallest level of government, namely the Village Government to manage the economic development program of the Village Fund Program (Permatasari et al., 2021).

Based on Law of the Republic of Indonesia Number 6 of 2014 concerning Villages, mandates the central government to allocate part of the state budget to village governments. Since 2015 until now, the government has continued to transfer Village Funds to village governments throughout Indonesia (Shaleh et al., 2022). The Directorate General of Financial Balance, Village Government Work Plan said that the most important way to use village funds is to pay for community development and empowerment projects. The aim is to improve the welfare of rural communities, and quality of life and reduce poverty (Diansari et al., 2023). To strengthen the above, there is a policy issued by the Indonesian government

which is also to support the implementation of Law number 60 of 2014 is village funds sourced from the state budget (Wahyudi et al., 2022). The village fund policy is targeted to finance community development and empowerment in improving welfare, quality of life, and reducing poverty in rural communities (Hilmawan et al., 2023).

Village Funds are prioritized for the development of local economic potential to increase the capacity of rural communities in entrepreneurial development, income generation, and expansion of the economic scale of rural communities. Based on Law number 60 of 2014 Article 19 paragraphs 1 and 2 it is stated that village funds are used to finance governance, development, community empowerment, and community empowerment (Wahyudi et al., 2021). The implementation of Village Funds is expected to raise awareness and move the wheels of the economy in the village, one of which is by establishing Village-Owned Enterprises (Aritenang, 2021).

The presence of village funds according to the results of research conducted states that underdeveloped villages in Eastern Indonesia are growing faster than in Western and Central Indonesia. Average growth is around 156% in Eastern Indonesia, 141% in Central Indonesia, and 98% in Western Indonesia (Hartojo et al., 2022). Study in Madura, Indonesia The allocation of village funds during the COVID-19 outbreak was used by several volunteers for operational costs in helping the community (Susilo et al., 2021). Other studies have shown that communities have initiated the inclusion of forest management and wildlife mitigation in village development plans so that these activities can be supported by village funds (Iriyani et al., 2020).

One of the objectives of the Village Fund Allocation includes increasing village and village community income through Village-Owned Enterprises. Based on the mandate of the 2014 Rural Law, villages are given the authority to manage their government, socio-economic affairs, and community relations. One of the authorities in the Law is the right to establish Village-Owned Enterprises (Kusmulyono et al., 2023). So village-owned enterprises are expected to become pillars of national development in Indonesia driven by rural communities (Siskawati et al., 2022). A village-driven national development approach also exists in Asmat, through the Village Fund Allocation initiative (Powell Davies, 2021). Other research has found that Village Funds target low-income rural households and encourage them to participate in upcoming programs (Hemtanon & Gan, 2020).

Budget management is not by the mechanism resulting in losses. Based on research by Village-Owned Enterprises in West Java, Indonesia until 2020 reached 2,921. However, its implementation faced obstacles and challenges and even led to the termination of a large number of village-owned enterprises (Dhewanto et al., 2020). Research in Tabanan Regency, Bali found that morality variables successfully moderated the relationship between human resource competence in fraud prevention. However, it was unable to moderate the

influence of Tri Hita Karana and governance on the prevention of village fund fraud (Saputra et al., 2022). For this reason, it requires increasing the knowledge and capacity of village officials to update village fund management (Purba et al., 2022). In addition, the supervisory function of village management must be firm, especially in preventing misuse of village funds, which has an impact on allegations of corruption (Sugiharti et al., 2021).

Village funds are used for community empowerment but encounter obstacles in empowerment development. The village fund policy model is expected to develop the economy in the village, reduce inequality, and reduce poverty. The expectation is not only policy but also the allocation of village funds by the government continues to be increased every year so that the position of villages and village communities as subjects of development can run according to their authority (Rianse et al., 2023).

The management of village funds, especially in including capital in village-owned enterprises, still has obstacles. After a decade of implementing village fund policies, obstacles also persist. Even the large amount of village funds provided by the government has led to new polemics about the increasing rate of village proliferation in Indonesia (Faoziyah & Salim, 2020). So far, budget management and the design of budget mechanisms force administrators to maximize the benefits that have been considered (Mohammadi & Golpayegani, 2021). The management of Village-Owned Enterprises funded from the village fund budget is still not optimal, causing new obstacles in the management. The importance of this research is that it can evaluate the management of village funds by the management mechanism. There are six criteria used in this study, namely: effectiveness criteria, efficiency criteria, sufficiency criteria, equalization criteria, responsiveness criteria, and accuracy criteria. The purpose of this study is to the evaluation of village fund management with capital participation from the Village Fund

METHOD

This research uses qualitative approaches and methodologies in data collection as well as data presentation. The informants in the study were all Village Governments in the Konawe Regency area that had village-owned enterprises with the criteria of Independent and Developing Villages, Problem Villages, and Developed Villages. Data collection techniques in the study are first observation, by conducting direct observations to obtain a clear overview of Village Fund management in the implementation of community development and empowerment. Second, interviews with key informants, namely the Village Government in South Konawe Regency, managers, village officials, and local communities.

The process of data analysis in this study went through three stages, as follows. *First*, is data classification. The results of the interview that have been collected, then understand what meaning is meant in the interview. Then sorted out, according to the purpose of the

study. *Second*, data interpretation is an activity that combines the results of analysis with statements to find the meaning of data collected in the field to answer problems and researchers' efforts to interpret data that can be taken by reviewing symptoms based on their point of view, comparison with research that has been done.

Third, data presentation, presenting data that has been classified through descriptive methods or narrative depiction of data, so that it can be easily understood. Previously the data was analyzed, interpreted, and interpreted. Concluding, drawing a conclusion based on careful and in-depth analysis of the data obtained, so that the problem to be examined is answered.

Theory/calculation

According to William, N. Dunn (1999) in Nugroho (2014), the term evaluation can be equated with appraisal, rating, and assessment. Evaluation is concerned with producing valid information and benefits of policy outcomes. Evaluation can provide valid and reliable information about policy performance, i.e. how valid and trustworthy policy performance is, i.e. how valid needs, values, and opportunities have been able to be achieved through actions from public policy; contribute to the clarification and criticism of the values underlying the selection of target objectives; Contribute to the application of other policy analysis methods, including problem formulation and recommendations. Although related to the overall policy process, evaluation is more concerned with the performance of the policy, especially in policy implementation (Nugroho, 2014).

Table 1. Dunn illustrates the criteria for public policy evaluation

Criteria Type	Question	Illustration
Effectiveness	Have the desired results been achieved?	Service units
Efficiency	How much effort is required to achieve the desired result?	Unit cost, net benefit, cost-benefit ratio
Adequacy	How far does achieving the desired result solve the problem?	Fixed Cost, Effectiveness remain.
Equitable	Are the cost benefits distributed evenly among different groups?	Kriteria pareto, Kriteria Kaldor-Hicks, Kriteria Rawls.
Responsiveness	Do policy outcomes satisfy the needs, preferences, or values of certain groups?	Consistency with citizen surveys
Accuracy	Is the desired outcome (goal) really useful or valuable?	Public programs should be evenly distributed and efficient.

Source: Nugroho R. 2014. Public Policy.

Evaluation of policy implementation is divided into three according to time, namely before implementationSource: , at the time of implementation, and after implementation. Evaluation at the time of implementation is usually called process evaluation, while evaluation after the policy is implemented is referred to as evaluation of policy consequences (outputs) and / or evasiveness of the impact / influence (outcome) of the policy. Evaluation after implementation is also called summative evaluation.

RESULTS AND DISCUSSION

Village financial management is the overall activities that include planning, budgeting, administration, reporting, accountability, and supervision of village finances. Village-owned enterprises are village business institutions managed by the community and village government to strengthen the village economy and are formed based on the needs and potential of the village. Because village-owned enterprises have a goal to improve the economy of village communities, especially rural communities in South Konawe Regency so that the increasing economy of rural communities in South Konawe Regency can encourage the community to carry out their obligations in terms of taxpayers, especially Land and Building Tax which can increase the Local Original Income of South Konawe Regency.

The evaluation study of village fund management, especially to increasing local original income, mainly through Village-Owned Enterprises in South Konawe Regency, obtained capital participation from Village Funds to manage businesses in each village. Therefore, to find out the extent to which the management of Village-Owned Enterprises in South Konawe Regency can improve the community's economy the purpose of Village-Owned Enterprises to improve the community's economy, with the improvement of the community's economy, will encourage public awareness to do taxpayers, especially Land and Building Tax to increase Regional Original Income, an evaluation study is needed. In the evaluation study conducted using implementation evaluation theory, 6 (six) types of policy evaluation criteria were mentioned, including effectiveness, efficiency, responsiveness, adequacy, smoothing, and accuracy (Dunn, 2003). The discussion that researchers can explain, is as follows:

1. Effectiveness Criteria

Effectiveness relates to whether a program achieves the expected (maximum) results, or achieves a goal from the holding of an Action. The effectiveness of village fund management is said to be effective when it can develop the management of Village-Owned Enterprises in each village in South Konawe Regency through capital participation so that with this existence each village can encourage an increase in the business managed by the community based on the potential of the village so that the community gets an increase in income that can improve their economy so that it can have an impact on community awareness to carry out obligations Their taxpayers especially on Land and Building Tax which can encourage an increase in local original income. It is said that it runs effectively when village funds can be managed to improve the management of Village-Owned Enterprises in each village in South Konawe Regency which are managed by the community and village government to strengthen the village economy and are formed based on the needs and potential of the village.

Based on data obtained from the Village Community Empowerment Office of South Konawe Regency, it can be concluded that the management of village funds through the development of Village-Owned Enterprises has not been running effectively in various villages based on data from the monitoring and evaluation results of the Village Community Empowerment Office of South Konawe Regency there are only 161 villages that have active Village-Owned Enterprises. Of the 161 villages that have Village-Owned Enterprises active in the management process based on village potential to improve the community's economy as the goal of Village-Owned Enterprises also has not run effectively in various villages in South Konawe Regency, both villages are classified as Independent and developing Villages. The management of Village-Owned Enterprises has not been able to increase community income which can improve the community's economic level. The indicators of Village-Owned Enterprises are said to be ineffective in running in every village in South Konawe Regency, namely:

1. Lack of Understanding of the Business of Processing Village-Owned Enterprises

The effective management of Village-Owned Enterprises in South Konawe Regency is not effective due to the lack of knowledge of the community entrusted to manage Village-Owned Enterprises. Business understanding to develop a business must be based on the potential of the village, both the agricultural sector, plantations, fisheries, natural potential, and the culinary and craft sectors.

As an administrator of a Village-Owned Enterprise, I am confused and find it difficult to develop because I have no understanding of business. So confused about what kind of Village-Owned Enterprise business to develop so that Village Funds are not only limited to providing capital and making it easier for the community but more than that (interview with the management of Village-Owned Enterprises Sidang Kasi, Kamal 2023).

The lack of human resources regarding business management for managers of Village-Owned Enterprises is one of the obstacles in developing Village-Owned Enterprises in South Konawe Regency to improve the village economy and increase community efforts in managing village economic potential. This is evident from 161 Village-Owned Enterprises, only 39 can develop more than one type of business. Meanwhile, 73 Village-Owned Enterprises are recorded to have only one business unit developed using business capital funded by the village fund budget.

Table 2: Number of Village-Owned Enterprises with 1-3 Types of Businesses, 2022

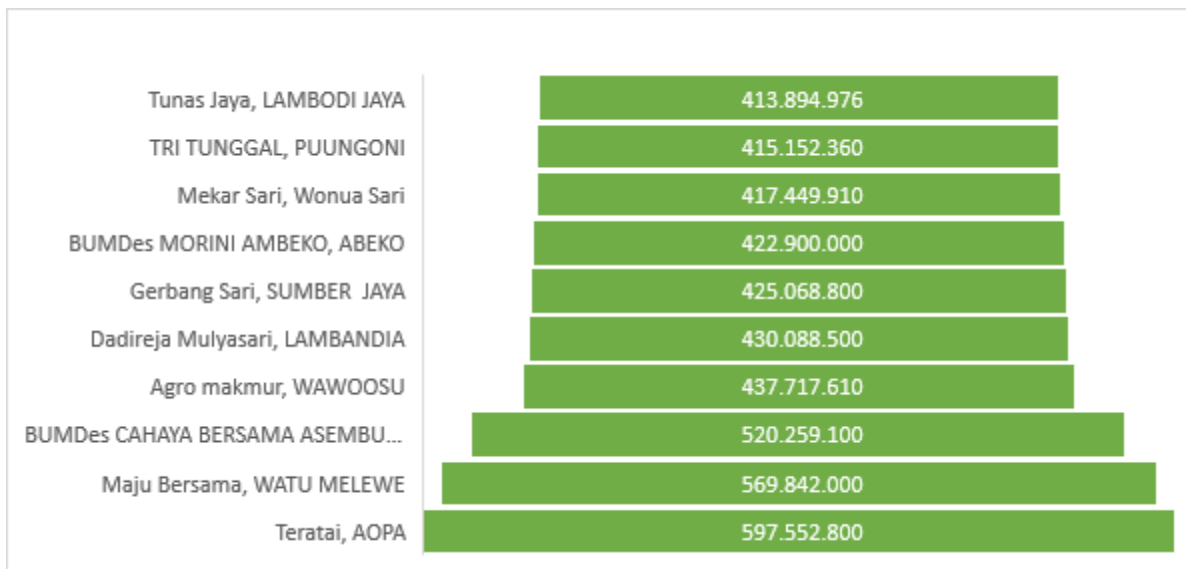
Number	Number of Business Types	Village-Owned Enterprises Have Business Types 1-3
1	1 Business Types	73 Village-Owned Enterprises Have Business
2	2 Business Types	48 Village-Owned Enterprises Have Business
3	3 Business Types	39 Village-Owned Enterprises Have Business

Source: Regional Revenue Office of South Konawe Regency, 2022

2. Less Innovative in Business Development

The development of Village-Owned Enterprises is still less innovative than based on community-managed businesses, including not having a broad marketing segmentation. Businesses in the agricultural, plantation, fishery, natural potential, and culinary and craft sectors are now reaping obstacles, especially in broad segmentation and business potential that can give birth to new relevant businesses. However, capital participation to support the development continues to be carried out every year.

Diagram 1: Top 10 Village-Owned Venture Body Capital Participation, 2022



Based on the diagram, as many as 10 Village-Owned Enterprises obtained high capital participation from the village fund budget for business development. However, it is not accompanied by innovation in developing Village-Owned Enterprises based on business potential managed by the community.

Table 3. Village-Owned Enterprise Business Unit with the Highest Level of Capital Participation, 2022

Village	Name of Village-Owned Enterprise	Business 1	Business 2	Business 3
Lambodi Jaya	Tunas Jaya	Agricultural Production Facilities	Save and Borrow	
Puungoni	Tri Tunggal	Save and Borrow		
Wonua Sari	Mekar Sari	Save and Borrow	Tent Rental	Online Payment
Abeko	Morini Ambeko	Seat Rental	Agricultural Production Facilities	Laying hens
Sumber Jaya	Gerbang Sari	Save and Borrow	Hand tractor Rental	
Lambandia	Dadireja	Purchase of	Agricultural	Bank Rakyat

	Mulyasari	Produce	Production Facilities	Indonesia Online Transaction Link
Wawoosu	Agro Makmur	Credit	Trading Services	Agriculture
Asembu Mulya	Cahaya Bersama	Mart Village Venture Body and Workshop	Tourism Village-Owned Enterprise	Net Village-Owned Enterprises
Watu Melewe	Maju Bersama	Drinking Water Depot	Agricultural Production Facilities	Village Tourism
Aopa	Teratai	Tent Rental		

Source: Regional Revenue Office of South Konawe Regency, 2022

Based on diagram 1 above, there are types of businesses managed by 10 Village-Owned Enterprises in South Konawe Regency to obtain large capital participation funds to develop their businesses. However, the capital participation obtained by Village-Owned Enterprises is not accompanied by business development that utilizes business opportunities in the village as the main reference in developing a business. Thus, in developing less innovative businesses, such as Village-Owned Enterprises in Puungoni and Aopa which get the highest business capital participation. However, the type of business developed is only one type. In addition to these two villages, other villages experience the same thing, namely Leleka Village. This is as stated by Ida Baria Secretary of Leleka Village.

This is the weakness that we as Village officials and people who manage Village-Owned Enterprises are unable to see business opportunities based on potential in Leleka Village, which can have a direct impact on community income so that the community's economy increases. This village has many rattan weaving craftsmen, but the managers of Village-Owned Enterprises never thought that the woven products of this community could be sold. It is hoped that business capital loans from Village-Owned Enterprises can be paid in installments so that this savings and loan business can run well and the community feels the impact (Interview with Ida Baria as Secretary of Leleka Village).

Another informant from the management of Village-Owned Enterprises in South Konawe said that several types of businesses that have been operating that are funded from business capital participation such as agricultural production facilities, tent rentals, and cattle fattening are currently still not effective in managing company management, so they have not been able to increase revenue.

Here Village-Owned Enterprises only run a Tent Rental business so that people do not rent expensive tents if there is an event. Then agricultural production facilities to help the community to be easily accessible, and cattle fattening. But all these efforts have not been effective, especially in helping the community to increase income. I am confused and difficult to think of how this makes a Village-Owned Enterprise business that can help the community increase their income through the business potential in Sindang Kasih Village (interview with Kamal as chairman of Sindang Kasi Village-Owned Enterprises).

2. Efficiency Criteria

Efficiency relates to what effort is required to produce a certain level of effectiveness (Dunn, 2003). So efficiency is a benchmark in carrying out activities to achieve effective results, all of which are used by existing resources and are sufficient to achieve the success of

a program. Based on the results of research conducted by several villages in South Konawe Regency, shows that the management of Village-Owned Enterprises has not run efficiently in developing businesses to improve the community's economy. Most Village-Owned Enterprises develop businesses only to make it easier for people to get capital assistance in managing their businesses without intensive supervision and training to develop the business.

1. Lack of Surveillance, Training, and Construction

The lack of supervision carried out by Village-Owned Enterprises in managing a business is one of the factors causing the business not to run efficiently to develop the business forward. For example, the savings and loans business that was managed by many Village-Owned Enterprises in South Konawe eventually collapsed. The large number of people who make loans intended not as business capital is also the cause of the business development. In addition to the lack of supervision, there is also a lack of training and coaching in the development of community businesses and businesses developed by Village-Owned Enterprises.

The business that we run in the village is one of the microcredit businesses in the form of savings and loans to provide capital assistance to people who have businesses. We hoped to make a profit, but on the way, the business was not running effectively because it was stuck. Many people cannot pay their installments. Even though the installments given are lower than other microcredits. The reason is that the sales price has dropped so that it does not get maximum profit. Then the management of capital distribution management is not supervised, so many people borrow for the reason of business capital, but it is not used for business capital but instead used for other purposes, so they cannot afford to pay installments.

Similarly, in Sindang Kasih Village, the cattle breeding business to help the community improve the community's economy is not running effectively because there is no supervision, training, and guidance carried out by Village-Owned Enterprises to the community, especially on how to raise cattle properly.

The cow brood business that we run has suffered losses. Initially, it was estimated that approximately 10 cows, but to this day only four remain, and six die. Then some sell secretly at low prices for the reason that the cows are not healthy. Meanwhile, the ransom fee has not been paid to the Village-Owned Enterprise, so the mother cattle business is not running well. Efforts to help the community in improving the economy even did not return capital (Interview with Ahmad Supena the head of Sindang Kasih Village).

Based on the results of the interview above, it can be concluded that the inefficiency of the businesses run by Village-Owned Enterprises in South Konawe Regency is because it is only limited to providing business capital assistance without supervising and conducting training in the development of community-run businesses so that community-managed businesses do not develop and have an impact on the inability of residents to pay loan installments. Savings and loans or microcredit businesses in every Village-Owned Enterprise in

South Konawe Regency also stalled. In addition, there some Village-Owned Enterprises such as cow broodstock are also not developing and even many communities are unable to develop this business due to the lack of supervision, training, and guidance provided related to cattle farming.

In addition to savings and loans and cow broodstock businesses managed by Village-Owned Enterprises that have not had a significant impact on improving the community's economy, some businesses utilize natural potential. However, this has also not had a significant impact in increasing people's income because there are not many visitors to travel in the location provided.

Indeed, this Cialam Jaya bathing business is managed by the management of Village-Owned Enterprises. The profit obtained is only from the entrance rental fee for the bath. Indeed, no business development has been developed (interview with Sumarno as Secretary of Cialam Jaya Village).

From the results of the interview above, it can be said that businesses that utilize the natural potential managed by Village-Owned Enterprises in the form of making swimming pools are not managed properly which has an impact on reducing the number of visitors to the location. In addition, the development of micro, small, and medium enterprises of residents also cannot be fully utilized by swimming pool visitors.

2. Development is not oriented toward the village's potential

The management of Village-Owned Enterprises in South Konawe Regency has also not run efficiently to improve the community's economy because most of the businesses run are not oriented towards business development based on the potential of villages managed by the community. The results of the study found that several Village-Owned Enterprises give birth to businesses, most of which only aim to facilitate and ease the community in getting profits to increase village income.

The informant in the study said that businesses run by Village-Owned Enterprises in Lombueya Village such as renting iron tents and renting hand tractors for plowing rice fields could make it easier and easier for the community to get competitive prices.

They want to cultivate rice fields to plant rice or vegetables so that the cost of plowing their rice fields is also not expensive and Village-Owned Enterprises can also profit (Amran's interview as chairman of the Village-Owned Enterprise of Lombueya Village).

In addition, other businesses run by Village-Owned Enterprises such as Bank Rakyat Indonesia Link in assisting financial transactions have also made it easier for the community to conduct financial transactions quickly.

Automated Teller Machines here are far away and sometimes a nuisance. Likewise, the Pulse Kiosk and Nine staple materials business is run so that there is income from village-owned enterprises and can be used to provide incentives for managers of village-owned enterprises (interview Burhan as the head of Kota Bangun Village).

Based on the results of the interview above, it can be said that most Village-Owned Enterprises in South Konawe Regency that obtain capital participation from the village fund budget only develop businesses that are in nature to facilitate and relieve the community. However, it does not focus on increasing the income of Village-Owned Enterprises which has an insignificant impact on utilizing business opportunities as the main focus in developing a business.

3. Sufficiency Criteria

Adequacy in public policy can be interpreted by sufficient resources such as budget or costs, facilities and infrastructure, and support from related parties to carry out the program that has been determined. Village Fund Management through capital participation in Village-Owned Enterprises to develop businesses based on village needs and potential, to improve the economy of the people in the village and increase the community's economy can trigger public awareness to do taxpayers, especially land and building taxes to increase local original income. Based on the results of the research conducted, it was found that the management of village-owned enterprises in improving the community's economy has not had a significant impact on the community because of several things, namely as follows:

1. Business Management

There are several businesses developed by Village-Owned Enterprises in each village that do not have good business management, so many businesses developed are not running well. Some are even stuck and have no significant impact on improving the community's economy.

The savings and loans business that is run is good, it's just that the management is not good, so this program is stuck and has no impact on the development of community businesses in this village. Village-owned enterprises only provide loans to those who want to borrow because they want business capital, but are not supervised so some use money for other needs not for business so they cannot pay their installments (interview with Ida Bahria as secretary of Peleka Village).

Poor management of business management developed by village-owned enterprises in running a business is one of the causes of the business not running well. In addition, the lack of role of village-owned enterprises is the leading sector in marketing community businesses so that the business done by the community is not sold smoothly so that the community does not get less profit and has an impact on the lack of community income. Another obstacle is the lack of human resources in the business sector and the absence of coaching and training obtained by the management of village-owned enterprises in developing businesses so that the management is unable to design businesses that can be managed directly by the community under the guidance of village-owned enterprises based on village opportunities and potential.

I still lack business understanding and I am also confused about what good business to run in village-owned enterprises that are developed directly by the community and can increase the income of the community. I have never attended business development training, especially if you say that you design a business that you want to manage based on the opportunities and potentials of the Village (interview Wawan as the administrator of Village-Owned Enterprises Lombok Village).

Thus, it can be said that until now there are still administrators of Village-Owned Enterprises who do not have extensive knowledge about business design with various models due to the lack of training and coaching carried out by the district government.

2. Processors Are Less Innovative in Growing Business

Due to the lack of training and coaching obtained by the management of Village-Owned Enterprises, the management is less innovative in developing businesses based on business opportunities managed by the community so many businesses are only oriented to relieve and facilitate the community. However, it does not have an impact on business development to increase income, so that the community's economy can increase.

The rental business of iron tents, chairs, and stages is run by Village-Owned Enterprises because only this is a good turnover and can get profits. The community is also relieved because the tent rental price is cheaper than other tent rental places (interview with the Chairman of Amoito Siam Village-Owned Enterprises, Sarwin).

Some other businesses that are on the road are tractor rental, hand plowing rice fields, and tent rental. The management of Village-Owned Enterprises claims that the business is in demand by residents to rent when there are activities.

The Iron tent rental business with the rental of paddy plowing hand tractors that we run and the rotation is good in the community because almost every time there are people who make events and also help the community because they can rent cheap tents and Village-Owned Enterprises can also benefit (interview Juslan as the head of Lombok Village).

It can be concluded that most businesses managed by Village-Owned Enterprises are only oriented to facilitate the community, especially leasing goods and making profits. The management of Village-Owned Enterprises in South Konawe Regency currently does not meet the adequacy criteria, especially human resources in developing Village-Owned Enterprises in South Konawe Regency, so it still encounters various obstacles. Currently, there are still several businesses run by Village-Owned Enterprises in South Konawe Regency, only like lightening and facilitating the community. However, it has not had a significant impact on increasing the income of the community at large.

4. Equalization Criteria

Equality can be interpreted as fairness in doing a policy. Equity-oriented policies are policies whose consequences or efforts are fairly distributed. A particular program may be effective, efficient, and sufficient if the cost benefits are evenly distributed. So equality is based on fairness and justice.

1. Fairness Aspect

In the business management of Village-Owned Enterprises in South Konawe Regency, it has been managed based on reasonable standards to help the community. Business development has made it easier for the community to manage a business so that it can encourage the improvement of the community's economy.

I think it is very appropriate in the management of savings and loans managed by Village-Owned Enterprises because it has its own rules which I consider reasonable. It does not burden the community like other credit efforts in providing loans to the community. There is no discrimination that anyone can get and use loans from Village-Owned Enterprises (interview Sultan Mujayin the head of Uepodu village).

One of the other types of business that has been carried out by Village-Owned Enterprises is cow broodstock given to the community. They claim that the business is considered reasonable and does not burden the community, especially the ransom fee.

At that time when this program was to be run 10 people wanted to develop cow broodstock for the community who were considered reasonable to get. I also consider the ransom fee for the mother cow reasonable because it does not burden the community (interview with Ahmad Supena the head of Sindang Kasi Village).

Based on the results of the interview, it can be concluded that the business managed by Village-Owned Enterprises intended for the community in the village has been managed reasonably based on the provisions of the agreed rules to help the community improve business management. In addition, it provides efforts to assist in improving the community's economy.

2. Aspects of Justice

In addition to these two businesses managed by Village-Owned Enterprises to help improve business management and assist in improving the economy, there are also several businesses run by Village-Owned Enterprises that involve many communities and use the place to make sales, namely the Village market in Cialam Jaya Village. With this village market, many residents of Cialam Jaya Village trade to increase their income. People can trade well without any differences and the management is fair.

As long as there is this market, residents here feel happy to run their sales business in the market because there is no difference felt by the community. After all, the market management procedures are carried out evenly and fairly so that this village market is still running effectively (interview Sumarno as Secretary of Cialam Jaya Village).

Businesses managed by Village-Owned Enterprises can be utilized by the Village Community fairly and equitably without differentiating groups, ethnicities, races, and religions so that people involved in business management in each village in South Konawe Regency feel the benefits of management evenly and fairly.

5. Responsiveness Criteria

Responsiveness is the ability of the bureaucracy to recognize the needs of the community, formulate service agendas and priorities, and develop programs following the needs and aspirations of the community. In short, it can be said that this responsiveness measures the responsiveness of the bureaucracy to the expectations, desires, and aspirations, as well as the demands of the community. Responsiveness is very necessary for public services because it is evidence of the organization's ability to recognize the needs of the community, set service agendas and priorities, and develop public service programs following the needs and aspirations of the community (Tangkilsan, 2005).

Village fund budget management through capital participation for the development of Village-Owned Enterprises is expected to develop businesses based on the needs and potential of the Village. This is done to improve the community's economy so that the community economy can trigger public awareness of fulfilling their obligations as taxpayers, especially on land and building taxes that will increase local original income.

Based on the results obtained by researchers in the field regarding the management process of village-owned enterprises, there is a problem, namely the lack of human resources to understand the business owned by Village-Owned Enterprises so that there are several Village-Owned Enterprises that only manage one business and manage at most three businesses. In addition, it is still found that management has not been maximized so it has not had a significant impact, especially increasing community income. Another obstacle is the lack of human resources in business understanding which causes the inability to map the business potential of Village-Owned Enterprises based on the potential of the Village, to increase community income.

People who are entrusted by the Village to manage Village-Owned Enterprises lack the business understanding to develop businesses that can have an impact on increasing the income of the community, such as rich in Lelekaa, the business that is run only on savings and loans is stuck. The community could not pay their installments because in the past people borrowed money to be used for business capital to make rattan matting by making chairs and tables, but their business did not develop because fewer people were buying (interview with Ida Bahria Secretary of Leleka Village).

The lack of human resources owned by Village-Owned Enterprises, one of which can be seen in one of the South Konawe Regency, namely in Lamomae Village. In this village, there is potential for water management as agricultural tourism and fishing with views of rice fields. However, during the coronavirus-19 outbreak, the business is no longer operating. Even though the Government of the Republic of Indonesia is currently focused and intense on the development of tourism villages, especially the allocation of village funds for the development of tourism villages (Revida et al., 2023).

Here the water potential is good so an agricultural tourism business was made first in which there was a fishing pond and views of rice fields but it was jammed. When COVID started and no longer developed, the management of Village-Owned Enterprises

involved the community in developing businesses that could add more attraction to visit and increase community income (interview with Sukri Hakim the head of Lamomea village).

The lack of Human Resources in the business sector owned by Village-Owned Enterprises in each village is one of the obstacles in developing a business in South Konawe Regency, so it has not been responsive in developing businesses based on businesses managed by the community and involving the community to develop businesses. Currently, there are still many businesses developed by Village-Owned Enterprises that do not have a direct impact on increasing community income.

6. Accuracy Criteria

Accuracy relates to how far the desired outcome or goal is useful or valuable. So accuracy can be seen from the objectives that have been made with those that have been implemented are appropriate and also get results following the objectives of the existing program.

The process of managing Village funds with increasing local original income, especially through capital participation in the development of Village-Owned Enterprises, is expected to be able to provide benefits for Village Communities to improve the economy. Based on the results of the study, village fund management through the development of Village-Owned Enterprises in various villages in South Konawe Regency has not been able to develop businesses to improve community businesses in the village, but on the contrary Village-Owned Enterprises develop businesses that are not community businesses but aim to help the community in increasing their income. In addition, it facilitates and eases the burden on the community but is not oriented towards increasing people's income.

1. Achievement of Business Development Goals Has Not Been Maximized

In addition to the many Village-Owned Enterprises in the village that have not been able to develop businesses based on the efforts of the community in the village, also in developing businesses do not have good business management so many businesses managed by Village-Owned Enterprises do not develop or even stall.

I think the business developed by the Village-Owned Enterprise in this village in the form of savings and loans has not reached the target to help provide capital assistance to develop the business because the management management is not good so the savings and loans business is stuck (interview with Burhan, the village head of Kota Bangun).

Many communities are currently unable to repay loans due to a lack of supervision from Village-Owned Enterprises to warn the community and impose several sanctions or fines due to late installment payment bills. In addition, marketing constraints on community business results are also a factor causing them to be unable to meet installment bill payments from business capital borrowed from Village-Owned Enterprises.

They are given loans to develop their businesses, are not supervised and administrators of Village-Owned Enterprises, and also do not proactively help the community how market community businesses, especially in this village, where many people are engaged in cake-making services. So that many people order cakes from residents in this village so that the community's business increases and increases people's income and has the same impact on the community's activity in returning their installments (interview with Burhan, the village head of Kota Bangun)

In general, microcredit and savings and loans businesses developed by Village-Owned Enterprises in various villages in South Konawe Regency have not had a maximum impact on helping the community in developing businesses. In addition, businesses such as cow broodstock that are managed have not been maximized in the development process because business management has not been good so the business developed has not been fully benefited by the community. For microcredit or savings and loans businesses managed by Village-Owned Enterprises, most of them are not developed and are stuck.

2. Business Benefits

The business management of Village-Owned Enterprises in several villages in South Konawe Regency has not run optimally in its management, so it has not had an impact on the development of businesses managed by the community. Some businesses run by Village-Owned Enterprises have not developed and even stalled. However, there are also several businesses developed by Village-Owned Enterprises that have been running well so that they have provided benefits to increase community efforts in managing village economic potential and improving the village economy.

CONCLUSION

The management of Village-Owned Enterprises (BUMDes) in South Konawe Regency has not been effective in developing businesses to improve the community's economy, due to a lack of understanding of BUMDes businesses in the agriculture, plantation, fisheries, and natural potential sectors. The lack of innovation in marketing business results is also an inhibiting factor. BUMDes management is also inefficient due to minimal supervision, training, and guidance for community managers. Business development is not oriented towards village potential and has not had a significant impact on the community's economy. However, BUMDes management has met the criteria of justice, but has not been responsive in maximizing existing business potential. The criteria for accuracy in managing Village-Owned Enterprises have not been maximized because the achievement of business development goals has not been maximally achieved, so it does not provide benefits in improving the community's economy.

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