



## An Analysis Of The Impact Of Village Capital Participation On Village-Owned Enterprises At The End Of Singkil Sub-District

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### ABSTRACT

Pemerintah melakukan program kebijakan yang diharapkan dapat meningkatkan pertumbuhan perekonomian dan pendapatan desa yakni melalui Badan Usaha Milik Desa (BUMDes) yang dijalankan oleh pemerintah desa dan masyarakat. Penyertaan modal yang diberikan kepada program BUMDes Makmur Sejahtera Desa Ujung ternyata tidak berjalan sesuai harapan dengan adanya kendala yang dihadapi pada awal tahun 2020. Penelitian ini bertujuan untuk mengetahui proses penyertaan modal desa terhadap BUMDes Ujung dan bagaimana dampak penyertaan modal desa terhadap BUMDes Ujung Singkil. Metode penelitian kualitatif dengan deskriptif analitik. Hasil penelitian menunjukkan penyertaan modal BUMDes Ujung mempunyai anggaran penyertaan modal di tahun 2018, 2019, namun pada tahun 2020 anggaran penyertaan modal sudah tidak ada lagi karena wabah virus corona, anggaran ini dipergunakan untuk penanganan Covid-19. Proses penyertaan modal desa dilakukan dengan adanya perencanaan penyertaan modal desa, pelaksanaan program kegiatan, dan pertanggungjawaban penyertaan modal atas program BUMDes. Dampak penyertaan modal terhadap perekonomian Desa tidak hanya pada profit saja, namun perekonomian masyarakat juga menjadi lebih baik dan meningkat. Penelitian ini menyimpulkan bahwa dampak penyertaan modal desa terhadap BUMDes Suka Makmur Desa Ujung Singkil ternyata tidak bertahan lama dan belum mampu menjalankan program yang sudah berjalan seperti yang direncanakan karena pengaruh Covid-19 yang muncul pada tahun 2020.

### PENDAHULUAN

Based on Law Number 6 of 2014 article 1 paragraph (6), it states that Village-Owned Enterprises, hereinafter referred to as BUMDes, are business entities whose capital is wholly or mostly owned by the village through direct participation originating from separated village assets to manage assets, services, and other businesses for the welfare of the community. With the establishment of a village-owned business entity, it is expected to improve the community's economy and obtain Village Original Income (PADes). The selection of BUMDes begins with the participation of village capital.

Capital participation is a form of government investment in business entities with ownership rights. Village government equity participation in village-owned assets is the transfer of ownership of village-owned assets that were originally unreserved assets into separated assets to be calculated as village capital or shares in Village-Owned Enterprises (BUMDes). BUMDes is entitled to apply for capital participation as long as BUMDes programs and activities are included in the Village Government Work Plan (RKPDes). It is at this stage that BUMDes activists and BUMDes administrators must be active and courageous in voicing their aspirations for BUMDes through village deliberations and inter-village deliberations. The BUMDes management can propose programs, activities and budgets including capital participation as long as the plan can be accounted for.

Based on Law No.23 of 2014, regions can invest in State-Owned Enterprises (BUMN) and/or Village-Owned Enterprises (BUMDes). Capital participation as referred to in article 304 paragraph (1) is carried out in

accordance with the provisions of laws and regulations. This means that the Law on Regional Government authorizes the Regional Government to invest in BUMN and/or BUMDes only.

BUMDes was born as a new approach in an effort 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, i.e. from the village, by the village, and for the village. The BUMDes regulation is regulated in Law No. 6 of 2014 concerning villages, which defines that a village is a legal community unit that has territorial boundaries that is authorized to regulate and manage government affairs, local community interests based on community initiatives, origin rights, and/or traditional rights that are recognized and respected in the NKRI government system. The purpose of BUMDes is to optimize the management of existing village assets, advance the village economy, and improve the welfare of the village community. The nature of BUMDes business is profit-oriented.

In helping the village economy, the government conducts policy programs that are expected to increase economic growth and village income. One of the programs carried out by the government in improving the economy in the village is through village entrepreneurship, where village entrepreneurship can be run through Village-Owned Enterprises run by the village government and the community. Capital for Village-Owned Enterprises can come from the Village Government, community savings, assistance from the Government, Provincial Government and Regency / City Government, loans, or equity participation of other parties or profit-sharing cooperation on the basis of mutual benefit.

The allocation of the Village Fund as a stimulant in the form of assistance or an stimulating fund to finance and encourage village government programs supported by community self-help participation in carrying out government and community empowerment activities (Utari, 2016). Village funds are funds sourced from the APBN that are intended for villages, which are sent through the Regency's regional budget. These funds are used to finance the administration of government, development implementation, community development, and empowerment of village communities. Based on Government Regulation Number 60 of 2014 concerning village funds sourced from the State Revenue and Expenditure budget, in the paragraph of the article that has been amended in Government Regulation Number 168 of 2014 to 11 paragraph 2 which states that village funds are allocated (Azwardi, 2014)

Ujung Singkil Village is a village that already has a BUMDes. The Ujung Singkil Village Government has conducted socialization to the village community about the establishment of the BUMDes. This BUMDes was established in 2018, with business units including a grocery store and a vegetable/spice shop. The initial capital of BUMDes Ujung Singkil in 2018 amounted to Rp. 200,000,000, - (two hundred million rupiah), and in 2019 amounted to 138,900,000, - (one hundred thirty-eight million nine hundred thousand rupiah) from the initial capital participation of BUMDes sourced from the Village Fund (DDS).

In line with the purpose of establishing BUMDes stated in the Minister of Villages, Development of Disadvantaged Regions, and Transmigration Regulation No. 4 of 2015 is to increase Village Original Income (PADes). BUMDes is established on the initiative of the village government and community based on the unique potential of the village. This potential can be developed using local resources, both natural and human. With the existence of BUMDes for the community, it is expected that the prosperity and welfare of the village community can be improved. Moreover, village development is not only about improving the economic sector but also the social sector of society. Village community development that is not only focused on economic improvement but also on social development is also emphasized.

## **THEORETICAL FRAMEWORK AND HYPOTHESIS DEVELOPMENT**

The Village Government makes long-term investments in the form of money or other assets in order to increase the capital of BUMDes. According to Balfas, capital is the most common security offered in a public offering, and therefore the most commonly recognized and traded instrument in the capital market. Business capital participation in the management of BUMDes must be accompanied by facilitation from the provincial government, district government and village government in the form of guidance and supervision as explained in Permendesa PDDT No. 4 of 2015.

Capital participation is an attempt to own a new or existing company, by making a capital deposit. Capital participation is the transfer of ownership of village-owned assets that were originally non-separated assets into separated assets to be calculated as village capital or shares in Village-Owned Enterprises (BUMDes). BUMDes is entitled to apply for capital participation as long as BUMDes programs and activities are included in the Village Government Work Plan (RKPDDes).

Impact according to Waralah Rd Cristo is something that is caused by something that is done, it can be positive or negative or a strong influence that brings about both negative and positive results. According to Hikmah Arif, the definition of impact in general in this case is everything that is caused by the existence of 'something'. The impact itself can also be heavy, the consequences before and after the existence of something (Hariyati, 2015). The definition of impact according to the Big Indonesian Dictionary is a collision, an influence that has both positive and negative consequences (Suharno & Retnoningsih, 2022). Influence is a situation where there is a reciprocal relationship or causal relationship between what affects and what is affected. Impact can simply be interpreted as influence or effect, in every decision made by someone who usually has its own impact, be it a positive impact or a negative impact. Village-Owned Enterprises or more popularly abbreviated as BUMDes, is a business entity that is wholly or partially owned by the village through direct capital participation originating from separated village assets in order to manage assets, services and other businesses for the greatest welfare of the village community.

Law No. 6/2014 provides flexibility for villages to accommodate all activities in the economic sector and/or public services in order to improve the welfare of their villages through the establishment of BUMDes. So that BUMDes has a very strategic role in driving the community's economy as well as a pillar of democracy in rural areas, because BUMDes requires a harmonious synergy between the Village Government as the owner of capital and the community as its manager (Istiqomah & Ramdhani, 2021).

## RESEARCH METHODS

This research was conducted using qualitative methods, qualitative research is a study by collecting data in the field and analyzing and drawing conclusions from the data. Qualitative research methods are often also called naturalistic research methods because the research is conducted in natural conditions (natural settings) (Sugiyono, 2017, p. 44). Qualitative research is descriptive analytic, because the data obtained from this research such as observations, interviews, photographing, written excerpts from documents, field notes, and compiled by researchers at the research location, and not poured in the form of statistical numbers. By using this approach, it is hoped that it will be able to provide an understanding of the impact of village capital participation on Village-Owned Enterprises in Ujung Singkil District, Aceh Singkil Regency.

The location of the research conducted was in the Ujung Village area, Singkil District, Aceh Singkil Regency. The unit of analysis to be studied is at the Aceh Singkil District Local Government Institution. Sources of research information can be classified according to primary and secondary data sources. Data is obtained directly from the object of research in the villages of Singkil District, Aceh Singkil Regency.

In collecting data, researchers use data collection techniques that can support and strengthen the analysis in the discussion of research results. The data collection techniques used in this research are:

1. Observation is paying attention to something with direct observation, including the activity of focusing attention on an object using the sensory organs, namely through vision. The observation technique is used to explore data from data sources in the form of events, behavior, places or locations, and objects, as well as image recordings. In this observation process, researchers can observe situations in the field by recording what is considered important to support the research objectives. In this observation, researchers collected information about village capital participation in BUMDes in Ujung Singkil District, Aceh Singkil Regency.
2. Interview is one of the information collection techniques carried out by holding questions and answers, either directly or indirectly. In order to get more accurate and deeper information, interviews were conducted with open-ended questions with structured interviews.

- Documentation is data collection from data that has been documented in various forms. This technique is used to collect data sourced from documents or archives related to BUMDes Ujung Singkil District, Aceh Singkil Regency (Arikunto, 2010, p. 133).

In this study, the data analysis technique that will be carried out is a qualitative descriptive analysis technique. Data analysis is the process of systematically searching and compiling data obtained from interviews, field notes, and documentation, by organizing data into categories, breaking it down into units, synthesizing, compiling into patterns, choosing which ones are important and which ones will be studied, and making conclusions so that they are easily understood by oneself and others (Wijaya, 2018, p. 52).

## RESULTS AND DISCUSSION

The capital participation of BUMDes Ujung is the needs needed to build the program that wants to be implemented at BUMDes Makmur Sejahtera of Ujung Singkil village. These needs include the management of economic assets and village potential. Village capital and assets are regulated in Article 135 of Law Number 6 of 2014. The initial capital of BUMDes is sourced from APB Desa funds. Some BUMDes capital consists of village capital participation and village community capital participation. Village capital participation as intended comes from the Village Budget and other sources.

Capital participation in BUMDes can be sourced from the Village Fund (DD) or capital participation from the village community. These village funds must be utilized and accounted for properly and transparently. The following is the village fund report from 2018 to 2020.

**Tabel 1. Source of VILLAGE Ujung Funds**

Source of VILLAGE Funds Tahun 2018		Source of VILLAGE Funds Tahun 2019		Source of VILLAGE Funds Tahun 2020	
APBN	: 826.804.000	APBN	: 732.823.000	APBN	: 933.182.000
APBK	: 371.629.340	APBK	: 390.930.588	APBK	: 435.679.925
BHP	: 28.386.245	BHP	: 25.439.326	BHP	: 34.342.923
<b>1.198.433,340</b>		<b>1.149.192.914</b>		<b>1.403.204.848</b>	

Sumber: Village Ujung Kecamatan Singkil Fund Archive.

Information:

APBN Funds are Central Funds  
 APBK Funds are Regency Funds  
 BHP is Regency Tax Revenue Sharing

As for the interview with one of the informants, namely the Secretary of BUMDes Ujung, stated that; "This capital participation is carried out as capital support which is used to support and develop the economic activities of the Ujung Village community through programs implemented by BUMDes". The following is a table of capital participation of BUMDes Ujung Singkil during the run:

**Tabel 2. Capital Participation of BUMDes Ujung Singkil**

No	Village Assets	Volume	Budget Year	Quantity	Source Fund	Description
1	Village Capital Participation		2018	200.000.000		
2	Initial Capital Investment	1 Activities BUMDes	2019	138.900.000	DDS	BUMDes
3	BUMDes Capital Participation		2020	-		

Sumber: BUMDes Ujung Singkil Archives.

- 1) In its development, the Village-Owned Enterprises (BUMDes) Ujung Singkil, at the beginning of its establishment, did not have a budget from the Village Government. Then in 2018 the Village Government issued a Village Government capital participation budget of Rp. 200,000,000 and in 2019 the budget for BUMDes capital participation was budgeted at Rp. 138,900,000, while in 2020 the budget is no longer there or zero.
- 2) From the results of the interview above, it can be stated that the budget from capital participation obtained in 2018 has no activities, but in 2019 1 BUMDes program activity has been implemented, namely the existence of a vegetable / spice kiosk and wholesale business unit. In 2020 the emergence of the corona outbreak, the Ujung Village government could not use the budget at all to continue BUMDes activities, the budget was diverted and used in handling Covid-19 in early 2020.

## 1) Planning

In general, the planning of village capital participation is very important in the implementation of activities. This capital participation from the village will be managed by BUMDes business units. In the management of Village-Owned Enterprises (BUMDes) in Ujung Village, planning is an activity of thinking about things that will be done with the resources owned and requires an administrative activity, starting from data collection, data processing, to the preparation of plans to achieve the desired results. Planning in the management of Village-Owned Enterprises (BUMDes) by outlining what needs to be done and what methods will be used to do so in order to achieve the goals that have been set and how BUMDes Makmur Sejahtera Desa Ujung determines the goals to be achieved. From the results of interviews with the Chairman of BUMDes Makmur Sejahtera who said that;

"In managing BUMDes in Ujung Village, deliberations need to be held to plan the right capital participation planning in managing BUMDes. Furthermore, the management is planned by the BUMDes manager in accordance with the type of business that has been previously determined based on the articles of association and bylaws. These bylaws are the result of deliberations between the manager and the village government in determining the future plans for BUMDes in Ujung Singkil Village."

Based on the results of the interview above, the author can conclude that the planning of capital participation in managing Village-Owned Enterprises (BUMDes) in Ujung Village first holds deliberations with managers and the village government so as to produce AD / ART which will be used as guidelines in managing BUMDes. According to Nawawi's theory that planning is a series of management processes, selecting a number of activities to be implemented as decisions about what to do, when and how it will be done and who will carry it out and systematic determination to control and direct the tendency of change towards predetermined goals.

Capital participation in BUMDes can be sourced from the Village Fund (DD) or capital participation from the village community. Through cooperation between one gampong and another gampong and the gampong community can form a large business field. Furthermore, the results of an interview with the secretary of BUMDes in Ujung Village stated that: "Planning begins with meetings, after which we plan the program to be planned and the financial system is allocated as well as possible." The Makmur Sejahtera Village Enterprise (BUMDes) is managed by the Village Government and the community.

in collaboration with the community. The management of this Village-Owned Enterprise includes the community which is desired to be able to work together to improve the community's economy and improve community welfare. In the management of Village-Owned Enterprises (BUMDes) Ujung management planning is based on the results of deliberations with the village government and the village community so as to achieve the results to be achieved in managing BUMDes Ujung. The results of the interview with the Ujung Village Head said that:

"BUMDes managers need to plan their future work plan so that it is mutually beneficial for the village and the community involved in managing BUMDes later." Based on the results of interviews that have been conducted with informants, it can be concluded that the planning of village capital participation wants the Village Government to exceed the BUMDes budget efforts so that managers can level the planning to the

community, so that there is no more interference between people who get and do not get. Planning for capital participation and organizing BUMDes management strategies to achieve success is the need for the role of people who really want to increase income so that they can help the management process of BUMDes Makmur Sejahtera in Ujung Village.

## 2) Implementation

The implementation of activities in the village is something that must be done and decided in the preparation of the Village RKP. In principle, the implementation of Village Government, Village Development and Community Empowerment activities is self-managed. This means that activities are carried out by the community under the responsibility of the Village Head and other village officials. The implementation of activities can involve village officials and the community in a combined manner. Some things that need to be considered as indicators of success in the implementation of the Village Fund include:

- a. Increasing community knowledge about the Village Fund and its use.
- b. Increased community participation starting from the village Musrenbang and the implementation of village development.
- c. There is synergy between activities funded by the Village Fund and other government programs in the village.
- d. Increased community self-help.
- e. Increased absorption of local labor in village development activities.
- f. The number of beneficiary community groups is increasing
- g. There is an increase in the village's original income.

The existence of BUMDes is an effort to accommodate all activities in the economic sector and public services managed by the village or cooperation between villages. The presence of BUMDes Suka Makmur Desa Ujung is also able to contribute to improving the economy of the local village community and empowering this potential also contributes to the development of Ujung Village.

In this case, from the results of research observations in Ujung Singkil village, it is known that the Ujung Singkil Village government has implemented a program from BUMDes in 2019, namely the spice and vegetable kiosk business unit. The results of an interview with one of the Spice Kiosk business unit actors, stated: *“This spice kiosk business activity is carried out with the enthusiasm of the village community which is very good, because it makes it easier for people to be able to shop for food ingredients. However, the problem here is that the spice kiosk business is experiencing difficulties because the capital obtained at that time is running low due to the effects of covid-19.”*

In the implementation of Village-Owned Enterprises (BUMDes) in Ujung Singkil Village, a very important role is to achieve goals, actions and how these actions must be carried out so that the desired goals can be achieved. Strategy as a support for decision making that can provide a unified relationship between decisions taken by the organization.

The role of Village-Owned Enterprises (BUMDes) is one of the village government's strategic programs in an effort to improve the economic welfare of rural communities. The results of an interview with one of the Ujung village community, said that; *“The average Ujung Singkil village community works as farmers and fishermen. The existence of BUMDes is a new thing for the people of Ujung Village. Some of the people who have joined the Ujung BUMDes program have been able to change their income to increase..”*

Based on the results of an interview with one of the managers of BUMDes Ujung, he stated that: *“BUMDes in Ujung Village in its implementation and management has created business opportunities, all forms of business that can generate income. One of them that is already running is the Trading Business Unit and there is already income per day.”*

From the results of the research, it is concluded that the implementation of the BUMDes Suka Makmur program in Ujung Village in 2019 is running and there is already income obtained per day in the range of 150 to 500 thousand rupiah. Therefore, this village business unit institution managed by the community and village government is an effort to strengthen the village economy which is formed based on the needs and potential of the village.

**3) Accountability**

In implementing BUMDes operations, it is obliged to prepare periodic reports containing the implementation of the BUMDes work program plan. Periodic reports include semesterly reports and annual reports then these reports are submitted to the advisor. The semi-annual report contains: 1) semesterly financial position report and semesterly profit and loss calculation and explanation 2) Details of problems arising during the semester that affect the BUMDes.

Meanwhile, the annual report contains: 1) Annual calculations consisting of the financial statements of the end of the financial year just ended and the calculation of profit or loss and the financial year concerned, 2) Report on the financial position and calculation of the consolidated income statement of the business unit, 3) A report on the operation of BUMG and the results achieved, 4) The main activities of BUMDes, 5) Details of problems arising and affecting BUMDes activities during the year, and 6) Reports on management duties by operational executors, supervision by supervisors, and provision of advice by advisors. According to the BUMDes Treasurer's statement to the researcher, "the BUMDes report once a year and then submitted during the village meeting regarding the BUMDes cash situation".

As stated above, the reporting mechanism is carried out once a year. This BUMDes reporting flow is made by each head of the business sector which contains money out and money in, profit and loss, obstacles faced and final cash. The person in charge of BUMDes Makmur Sejahtera Ujung Village is the Village Head, Village Treasurer, BUMDes Chairman and BUMDes Treasurer.

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>▪ Community access distance is closer to the BUMDes premises.</li> <li>▪ Community needs are easier to reach.</li> <li>▪ Community participates in BUMDes activities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lack of data transparency.</li> <li>▪ BUMDes capital cannot be fully utilized.</li> <li>▪ Not running some BUMDes programs</li> </ul>

This form of accountability is proof that the village government and the BUMDes organization itself must be able to bear the BUMDes program properly and thoroughly. For example, if there are obstacles or obstacles to the BUMDes program, then the person in charge will move directly to deal with these problems.

From the explanation above, it can be concluded that the responsibility for each program created and implemented, obstacles and obstacles obtained needs to be prepared by preparing periodic reports to evaluate and collect data on BUMDes managers, as well as the person in charge of BUMDes. However, the responsibility for capital participation for BUMDes suffered losses because the capital was not fully used to carry out BUMDes program activities and was diverted in handling covid-19. In this case, there is no concrete data transparency regarding the report on the results of the BUMDes program obtained. However, researchers only explain the data obtained.

**4) Impact of Village Capital Participation on BUMDes**

The condition of the community in Ujung Singkil Village before the implementation of BUMDes still looks bad and ordinary. From year to year the problem of poverty has not been solved either, although the poverty rate has decreased but not all people feel prosperous. After the new policy, namely Village-Owned Enterprises implemented in Ujung Singkil Village, community conditions began to change. The impacts of village capital participation on BUMDes here include:

- a. The community has capital to take advantage of business opportunities.
- b. The BUMDes program is managed by the organization and the community.
- c. The community can participate and assist in BUMDes program activities.
- d. Benefits are not only for the village government but also the community.

This BUMDes program is managed by the Ujung Village community under the supervision of the BUMDes organization. Capital participation began to be realized with business activities that are basically for

efforts to utilize business opportunities created as a result of population mobility, both those directly affected and as a result of businesses created by the indirect effects of development. Some people who were unemployed before the BUMDes program are now participating in the BUMDes program activities. People who do not have large capital to create businesses are also absorbed in helping these businesses. The results of the interview with the Head of BUMDes Makmur Sejahtera Desa Ujung, stated that: *“The welfare of the village community must be achieved in implementing this program. Both the village government and BUMDes implementers. The Ujung village community already has a view on the achievements with the existence of BUMDes, starting from generating as much profit as possible and the capital received.”*

The community in Ujung Village has begun to actively implement this program with the changes that have been felt. The community views that welfare for them is not about having a lot of money but having enough income for daily life and future preparation. In this case, the impact of economic value is the main focus of BUMDes but social value is also a concern in BUMDes.

Along with the BUMDes activities, at the end of 2019 BUMDes Suka Makmur Desa Ujung came to a halt, due to the outbreak of the corona virus which resulted in worsening community activities and economic conditions. The program that has been made cannot run as expected until now the BUMDes activities are no longer running. Based on the results of an interview with the Ujung BUMDes Manager, he stated that: *“At the end of 2019 BUMDes Ujung experienced a failure due to the influence of the Corona virus, this impact was very clearly felt by BUMDes managers and many communities. As a result, BUMDes Ujung was not as effective as expected.”*

From the results of this interview, BUMDes Suka Makmur Desa Ujung did not last long and has not been able to run the programs that have been running as planned by the BUMDes program. This is due to the influence of Covid-19 which emerged in 2020. There are so many programs that have not been implemented at BUMDes Ujung Singkil. Therefore, the capital obtained by BUMDes Suka Makmur Desa Ujung was also used for handling Covid-19 in 2020. This is a very pronounced impact on the managers of BUMDes Makmur Sejahtera and the community of Ujung Singkil Village.

## 5) Impact of Village Capital Participation on the Village Economy

Village-owned enterprises are a means of empowering the local economy with various types of potential. The development of BUMDes is not solely based on the aspect of economic growth targets, but what is more important is to create conducive economic activities and social welfare at the village level, at least able to solve the obstacles to the development of village businesses in order to encourage increased community income so as to realize the welfare of the community at large. Thus, the development of BUMDes Ujung Singkil has opened up business opportunities for people who are able to accept and utilize these business opportunities. The results of interviews with the Ujung Village community, stated; *“With the BUMDes activities, we feel the changes to the family economy are getting better and community social relations are much more harmonious.”*

Before the existence of BUMDes, the village community, most of whom were farmers, could no longer work during the dry season, due to the difficulty of obtaining water. This led to increased unemployment, and reduced income for farmers. After the Ujung village government studied and implemented the BUMDes policy, the village community was positively impacted.

The impacts of the capital participation of Ujung Singkil village on the community's economy include:

- a. The community's economy is better and more stable.
- b. People who are unemployed can already work and help.
- c. Social relations between communities become close and harmonious.

It can be concluded that with the existence of BUMDes, not only profit has an impact, but the community's economy has also improved and increased. This is what BUMDes Ujung Singkil does This is what BUMDes Ujung Singkil is doing even though the business units being run still generate small revenues. The BUMDes program is expected to help better and harmonious community welfare. The success and development of BUMDes in carrying out its duties and obligations also lies on the shoulders of BUMDes administrators, although BUMDes seems simpler than other business entities, the implementation of BUMDes programs is not simple because in the implementation of existing programs, BUMDes administrators must



really understand the circumstances and potential of the local village and must always innovate to deal with any changes that exist, without ignoring the goals that have been set before.

## CONCLUSION

Based on the results of research that the authors have conducted on the impact of capital participation on BUMDes Ujung Singkil, it can be concluded that:

1. The capital participation process of BUMDes Ujung has a capital participation budget in 2018, 2019, and 2020. However, in 2020 the capital participation budget no longer exists due to the emergence of the corona virus outbreak, this budget was diverted and used for handling Covid-19.
2. Village capital participation planning wants the Village Government to exceed the BUMDes budget efforts so that managers can evenly distribute planning to the community, so that there is no more interference between people who get and do not get.
3. The implementation of the BUMDes Makmur Sejahtera program in Ujung Village is already running and has income earned per day. Therefore, village business institutions managed by the community and village government greatly affect the welfare of the Ujung village community which is better and the community can participate in the business entity that is implemented.
4. Accountability in capital participation in BUMDes programs that are made and implemented, obstacles and obstacles obtained by business unit managers need periodic reports in order to evaluate and collect data on BUMDes management.
5. The impact of village capital participation on BUMDes Suka Makmur Desa Ujung did not last long and has not been able to run the program that has been running as planned for the future BUMDes program. This is due to the influence of Covid-19 which emerged in 2020.
6. The impact of capital participation on the village economy is not only on profit, but the community's economy is also getting better and improving.

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