

Implementation of Village-Owned Enterprise (BUMDes) Management Policy in Majalengka Regency

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The purpose of this study is to identify and analyze the implementation of policies for managing Village-Owned Enterprises (BUMDes), the supporting and inhibiting factors in the implementation of these policies, as well as the efforts made to overcome the inhibiting factors in Majalengka Regency. The theory used as an analytical framework in this study is the policy implementation theory of Van Meter and Van Horn, which emphasizes six main factors: policy standards and objectives, resources, characteristics of implementing organizations, attitudes or dispositions of implementers, inter-organizational communication, and the economic, social, and political environment. This study employs a qualitative approach, with data collection techniques including interviews, observations, and documentation. Data analysis is conducted through the stages of data reduction, data presentation, and conclusion drawing. The informants in this study include the Regent of Majalengka Regency, the Chairperson of Commission I of the Regional House of Representatives (DPRD) of Majalengka Regency, the Sub-district Head of Majalengka, the Village Heads of Cibodas, Sidamukti, Kawunggirang, and Kulur, BUMDes administrators, as well as MSME actors in the research locations. The research locations are focused on Cibodas Village (BUMDes Bina Jaya), Sidamukti Village (BUMDes Rahayu), Kawunggirang Village (BUMDes Kawungwangi), and Kulur Village (BUMDes Tirma). The results of the field study indicate that the implementation of BUMDes management policies in Majalengka Regency has not been carried out optimally. This is due to limited human resources, weak managerial capacity of BUMDes administrators, limited capital, low community participation, and suboptimal guidance and supervision from both local and village governments. In addition, issues remain in policy communication, implementers' perceptions, and bureaucratic structures that have not fully supported professional and sustainable BUMDes management. The SWOT analysis results show that strengthening human resource capacity, improving institutional governance and monitoring-evaluation systems, optimizing village economic potential, reinforcing the commitment of policy implementers, and enhancing coordination among stakeholders are key strategies to improve the effectiveness of BUMDes policy implementation as an instrument for empowering the village economy.

Keywords: Policy Implementation, Local Government, Village, Village-Owned Enterprises (BUMDes)

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1. Introduction

Indonesia adopts a decentralized system of governance that grants authority to regional governments to manage their own governmental affairs. This shift is marked by the enactment of several laws, such as Law No. 22 of 1999, later revised into Law No. 32 of 2004, and Law No. 23 of 2014 on Regional Government, which aim to improve the quality of public services and accelerate regional development, including at the village level.

Villages have often been marginalized from the mainstream of development, resulting in poor infrastructure quality and high rates of urbanization. This imbalance has led to various social and economic problems, including unemployment and low community participation in development. To address these issues, the government has sought to strengthen the role of villages through village autonomy, as stipulated in Law No. 6 of 2014 on Villages. This law positions villages as subjects of development and

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provides opportunities for rural communities to actively participate in governance and in managing their local potential.

However, the implementation of village policies still faces various challenges, particularly in financial management, uneven development, and the limited capacity of village officials. Therefore, a development strategy based on local potential is essential. One of the strategic efforts undertaken by village governments to promote economic independence is the establishment of Village-Owned Enterprises (BUMDes). BUMDes are expected to manage village potential optimally, increase village-generated revenue (PADes), and enhance community welfare.

Data on the distribution of villages, the number of active BUMDes, and village-generated revenue (PADes) across sub-districts in Majalengka Regency show that there are 235 active BUMDes out of a total of 330 villages, indicating a relatively high level of participation. However, the distribution of active BUMDes remains uneven. For example, Majalengka Sub-district has only 4 villages and 4 active BUMDes, with PADes amounting to IDR 446,000,000, which is significantly lower compared to other sub-districts such as Ligung (IDR 3.6 billion) and Jatiwangi (IDR 3.8 billion). Majalengka Sub-district was selected as the research location because it is the closest sub-district to the regency capital (0 km), and therefore is expected to have better access to information, guidance, and policy supervision. Despite its strategic location, the small number of villages and low PADes raise questions about the effectiveness of BUMDes policies in this area, making it a relevant case for further study.

Field observations indicate that the Village Head of Cibodas has not performed their role optimally in implementing regional policies related to BUMDes management. This is reflected in weak supervision and coordination of BUMDes operations. Furthermore, since the change in village leadership, the BUMDes has become increasingly inactive due to a lack of continuity in management, hindering the development of its potential and causing both institutional and economic losses for the community. This condition highlights the need for institutional revitalization and regulatory reform in BUMDes governance and accountability. Similarly, BUMDes Rahayu in Sidamukti Village, which is one of the closest villages to the regency government center, ideally has great potential to serve as a best-practice model. However, field findings show otherwise. BUMDes Rahayu, which manages a collective electricity service for the village, has not operated optimally. Although it contributed IDR 1,200,000 to village revenue (PADes) in 2024, this amount remains relatively small compared to its potential.

The ineffectiveness of BUMDes management is largely due to limited business capital, which restricts operational activities and hinders innovation and business diversification. In addition, weak institutional support and the lack of structured guidance programs from both village and regional governments further exacerbate the situation. Despite its strategic position, BUMDes Rahayu has not yet fulfilled its potential, reflecting the need for affirmative policies and regulatory improvements to strengthen the role of BUMDes in promoting village economic independence.

In the context of BUMDes management in Majalengka Regency, several supporting factors can be identified. First, national regulations such as Law No. 6 of 2014 on Villages and Government Regulation No. 11 of 2021 on BUMDes provide a strong legal foundation for policy implementation. Second, the commitment of village heads and community participation serve as important social capital. Third, support from local governments through guidance and the allocation of Village Funds provides essential resources for BUMDes activities. Lastly, the presence of local economic potential further supports implementation. These factors align with the variables in Van Meter and Van Horn's theory, particularly in terms of resources, implementer disposition, and socio-political support.

On the other hand, policies that are normatively well-designed do not always translate into effective implementation due to structural and non-structural barriers. Van Meter and Van Horn's theory emphasizes key obstacles such as unclear policy objectives, limited resources, weak coordination among implementers, and low commitment from involved actors. These challenges can create gaps between policy formulation and its practical implementation.

In Majalengka, several inhibiting factors are evident: first, some villages still lack a comprehensive understanding of standard operating procedures for BUMDes management in accordance with current regulations. Second, limited human resource capacity in business management and financial reporting hampers effective implementation. Third, weak supervision from local governments results in the absence of firm sanctions or comprehensive evaluations. These issues reflect inconsistencies in policy standards, limited resources, and insufficient inter-organizational communication, as highlighted in Van Meter and Van Horn's framework.

This study aims to identify existing problems and provide alternative solutions that can be implemented. Through an analysis of policy implementation in the four selected villages, this research is expected to offer deeper insights into policy practices at the village level and provide practical recommendations for improving BUMDes governance in Majalengka Regency. The objectives of this study are as follows:

1. To identify, analyze, and explain the implementation of policies in the management of Village-Owned Enterprises (BUMDes) in Majalengka Regency.
2. To identify, analyze, and explain the factors influencing the implementation of BUMDes management policies in Majalengka Regency.
3. To identify, analyze, and explain efforts to overcome the inhibiting factors in the implementation of BUMDes management policies in Majalengka Regency.

2. Methodology

The research method used in this study is descriptive with a qualitative approach. Descriptive research aims to portray the actual condition of the object being studied based on real situations observed during the research process. The data collected are not in the form of numerical figures but are derived from texts, interviews, field notes, personal documents, memos, and other relevant documents.

Based on Simangunsong's classification, the data sources in this study are divided into three categories known as the "three Ps": paper, person, and place. *Paper* refers to official documents such as Law No. 23 of 2014 on Regional Government, Law No. 6 of 2014 on Villages, Government Regulation No. 11 of 2021 on Village-Owned Enterprises (BUMDes), Minister of Home Affairs Regulation No. 39 of 2010 Articles 78–81 on BUMDes, Majalengka Regency Regulation No. 3 of 2006 on General Guidelines for the Establishment of BUMDes, as well as BUMDes performance reports and other relevant scientific publications. *Person* refers to key informants, including village heads, BUMDes administrators, sub-district officials, community leaders (MSME actors), the Chairperson of Commission I of the Regional House of Representatives (DPRD), the Head of the Community and Village Empowerment Office, and the Regent of Majalengka. *Place* refers to the research locations, which are four villages in Majalengka Sub-district, Majalengka Regency. These three data sources complement each other by providing theoretical, policy-related, and practical insights from the field.

The use of informants is highly appropriate for a descriptive qualitative approach, as it enables the researcher to gain a comprehensive understanding of the experiences, perspectives, and direct involvement of policy actors and BUMDes managers. The selection of informants in this study was carried out using purposive sampling, which involves selecting individuals who are considered to have the most

relevant knowledge and direct involvement in BUMDes policy and management. This technique allows the researcher to identify key figures who are relevant both formally and substantively, as explained by Silalahi, who states that purposive sampling is a sampling method based on the researcher's subjective judgment regarding who is most competent to provide information.

The informants consist of regional government officials such as the Regent, the Chairperson of Commission I of the DPRD, the Head of the Community and Village Empowerment Office, and the Head of Majalengka Sub-district, who are considered to have authority in formulating and overseeing policies. In addition, the study involves village heads and BUMDes managers from four villages (Cibodas, Sidamukti, Kawunggirang, and Kulur) as technical implementers of the policy in the field, as well as MSME actors as beneficiaries of the policy, with a total of 16 informants.

This study employs several data collection techniques, including interviews, participatory observation, and documentation. The data analysis technique used in this study follows the interactive model developed by Miles and Huberman, as cited by Simangunsong, which consists of three main stages: data reduction, data display, and conclusion drawing/verification.

3. Results and Discussion

Implementation of Village-Owned Enterprise (BUMDes) Policy in Majalengka Regency

The implementation of Village-Owned Enterprise (BUMDes) policy is a crucial stage in efforts to achieve village economic independence and improve community welfare. BUMDes policy does not merely remain at the regulatory level but requires translation into concrete actions at the village level through institutional management, business development, and the optimal utilization of village resources. Therefore, the success of BUMDes policy implementation is largely determined by how the policy is executed by implementing actors, supported by adequate resources, and adapted to local social, economic, and political conditions.

The implementation of BUMDes policy in Majalengka Regency faces diverse dynamics across villages. Each village has different characteristics, potentials, and capacities, which influence the patterns of implementation and performance outcomes of BUMDes. Some villages are able to manage BUMDes actively and sustainably, while others face constraints that result in suboptimal performance or even inactivity. This condition indicates that the implementation of BUMDes policy has not yet been carried out uniformly and effectively across all areas of Majalengka Regency.

1. Policy Standards and Objectives

The enactment of Law No. 6 of 2014 on Villages and Government Regulation No. 11 of 2021 on BUMDes has brought fundamental changes to the concept, legal status, and governance of BUMDes. Therefore, the alignment of regional regulations, particularly Majalengka Regency Regulation No. 3 of 2006, becomes a crucial aspect in ensuring that BUMDes policy implementation is in accordance with the standards and objectives set by the central government.

Based on observations at the regency level, the researcher found that the alignment between Majalengka Regency Regulation No. 3 of 2006 and the more recent national regulations has not been fully achieved. The regional regulation is still used as a formal legal basis in BUMDes management, although substantively several provisions are no longer relevant to Law No. 6 of 2014 and Government Regulation No. 11 of 2021. This is reflected in fundamental differences regarding the definition of BUMDes, its legal status, and the organizational structure of BUMDes management. In practice, government officials at the regency level

tend to refer directly to national regulations when providing technical guidance to village governments, even though the regional legal framework has not been formally updated.

These findings indicate a gap between normative policy standards and technical-operational implementation. This gap has the potential to create legal uncertainty and differing interpretations of policy among implementers. From a policy implementation perspective, this condition reflects that policy standards have not been fully formulated in a consistent and integrated manner, requiring implementers to adapt to evolving national regulations without adequate support from updated regional regulations. This situation also shows that the objectives of BUMDes policy, although substantively aligned with national goals, are not yet fully supported by sufficient regional regulatory instruments.

Overall, the results of observations and interviews indicate that the consistency of policy derivation and the specification of BUMDes policy content are perceived as relatively good by implementation actors. The regency government considers that the policy has clear and detailed substance, while village governments view it as a legitimate regulation that should be implemented. However, the emphasis by the Head of Majalengka Sub-district on the strategic role of BUMDes as a driver of village fiscal independence indicates that the clarity of policy substance has not been fully matched by the readiness of villages to manage BUMDes as productive business entities. This condition may lead to variations in BUMDes management practices across villages, especially when policies require adaptation to local conditions. Therefore, although the policy substance has been formulated clearly, the consistency of policy derivation and specification still requires strengthening through derivative regulations and more operational technical guidelines at both the regional and village levels.

2. Resources

Based on observations at the regency level, particularly at the Office of Community and Village Empowerment of Majalengka Regency, it is evident that systems and mechanisms have been designed to support BUMDes funding. The observations show that the process of proposing capital participation for BUMDes is carried out formally through stages such as village deliberation meetings, preparation of financial analysis, and the establishment of village regulations. In practice, the office acts as a facilitator and supervisor to ensure that the use of village funds complies with statutory regulations. Administrative procedures appear to be well organized, as indicated by the availability of business planning documents, minutes of village deliberations, and village regulations as legal foundations. This condition suggests that structurally, the local government has provided adequate space and access to funding for villages to develop BUMDes. This finding is consistent with the results of an interview with the Head of the Office of Community and Village Empowerment of Majalengka Regency (Informant 3), who stated:

“Village funds are available and easily accessible to support BUMDes. Capital participation is proposed through village deliberations following financial analysis by advisors and supervisors, along with the preparation of activity plans. It is then decided through village deliberations and formalized in village regulations.”

This statement indicates that from the perspective of policymakers at the regency level, access to BUMDes funding is not the main issue. Policies have been designed in such a way that villages have the authority and flexibility to allocate village funds to BUMDes, as long as they adhere to principles of planning, transparency, and accountability. Therefore, funding constraints do not stem from the absence of policy, but rather from how these policies are interpreted and implemented at the village level.

However, observations in Kawunggirang Village reveal a different condition. Field observations indicate that BUMDes has not yet become a priority in village budget allocation. There are no significant operational activities of BUMDes observed, and village financial planning tends to focus more on physical development

and routine village programs. Village officials appear cautious in allocating village funds to BUMDes, particularly due to concerns over management risks and budget accountability.

3. Characteristics of Implementing Organizations

Based on observations in Kawunggirang Village, it is evident that administratively, BUMDes already has an organizational structure arranged in accordance with regulatory provisions. The observations show the presence of an organizational chart that includes advisory, operational, and supervisory elements. The division of roles has been formally documented in village records, although BUMDes operational activities have not yet run optimally. Village officials understand that the organizational structure of BUMDes is a normative requirement that must be fulfilled as a form of compliance with regulations. However, in practice, the clarity of this structure has not been fully followed by active and sustainable task implementation. Observations in Cibodas and Sidamukti Villages indicate that the existence of guidance and supervision from sub-district and regency authorities is acknowledged by village governments. The Head of Cibodas Village (Informant 5) and the Head of Sidamukti Village (Informant 6) both stated that such support exists. However, field observations reveal that this support has not been sufficient to reactivate or develop BUMDes. This suggests that the formal presence of supervision and guidance alone is not enough to address the structural problems faced by BUMDes in these villages.

These findings emphasize that the main challenge lies in the quality and intensity of guidance, rather than the absence of supervisory roles. Overall, the results of observations and interviews indicate that the roles of technical supervisory units at the sub-district and regency levels in managing BUMDes in Majalengka Regency have been carried out formally and administratively. However, their effectiveness remains limited, as the guidance provided tends to be general, not continuous, and not fully based on the specific needs of each village. This condition affects the suboptimal implementation of BUMDes management policies, highlighting the need to strengthen supervisory roles through more intensive, contextual, and sustainable technical assistance.

4. Attitudes/Disposition of Implementers

Based on observations in Kawunggirang Village, the role of the village head and the Village Consultative Body (BPD) in supporting BUMDes is primarily focused on supervision. Field observations indicate that the village government perceives BUMDes as an institution that must be monitored to ensure compliance with regulations, but active involvement in business development remains limited. The village head and BPD tend to position themselves as normative supervisors, without direct engagement in planning processes or capacity building for BUMDes managers. This condition suggests that the commitment of the village government toward BUMDes is more administrative than strategic.

In contrast, observations in Kulur Village show a more positive and proactive attitude among implementers. Field findings indicate that the village head views BUMDes as a strategic instrument for village development. The village head and BPD not only act as supervisors but also demonstrate normative support for the sustainability of BUMDes as a means of improving community welfare. Although implementation still faces limitations, there is a strong conceptual commitment to the role of BUMDes.

Overall, the results of observations and interviews indicate that implementers' perceptions of BUMDes as a community empowerment instrument in Majalengka Regency vary significantly. Some implementers have understood and internalized the empowerment function of BUMDes both normatively and substantively, while others lack a strong perception due to the inactivity of BUMDes. These differences in perception influence policy direction, levels of commitment, and the intensity of empowerment efforts carried out through BUMDes in each village.

5. Inter-Organizational Communication and Implementation Activities

Based on observations at the regency level, particularly at the Office of Community and Village Empowerment (DPMD) of Majalengka Regency, there is a formal and scheduled coordination mechanism in place. Field observations indicate that DPMD acts as the main coordinator, bridging central government policies with implementation at the village level. Coordination involves sub-district officials, especially the Head of Community Empowerment and Governance Section (PMM), as well as village facilitators. This coordination pattern aims to establish a shared understanding of the direction of BUMDes development while also evaluating BUMDes progress at the end of each period.

Overall, the results of observations and interviews show that the processes of socialization, deliberation, and planning of BUMDes activities in Majalengka Regency have been normatively regulated and implemented in most villages. However, the quality and level of community participation in these processes vary. Villages with active BUMDes and participatory leadership tend to conduct more inclusive deliberations, whereas villages with inactive BUMDes show a stagnation in socialization and planning processes. This condition indicates that strengthening participatory communication through socialization and village deliberations is a key factor in improving the effectiveness of BUMDes policy implementation.

6. Economic, Social, and Political Environment

Based on observations in Kawunggirang Village, community involvement in BUMDes activities is primarily understood within a normative framework, namely improving community welfare. Field observations show that the community is not yet directly and actively involved in the operational management of BUMDes. However, the village government views BUMDes as a tool to achieve overall village welfare. The social environment reflects expectations toward the existence of BUMDes, although community participation remains passive and not yet systematically organized.

In contrast, observations in Kulur Village reveal a relatively high and diverse level of community involvement. Field findings show that the community is not only a beneficiary but also actively involved in managing BUMDes. Community members serve as administrators, contribute ideas for business development, and participate in monitoring and evaluating BUMDes activities. A participatory social environment, combined with political support from the village government, creates favorable conditions for community empowerment through BUMDes.

These findings indicate that community involvement in Kulur Village is not only structural, in terms of organizational roles, but also economic, as community members directly manage BUMDes business units. This highlights that BUMDes in Kulur Village has functioned as a platform for community empowerment, where the community acts as the main subject in managing and benefiting from business activities. This condition reflects a supportive social and political environment for participatory and sustainable BUMDes policy implementation.

Field observations also show that the community in Sidamukti Village demonstrates a relatively supportive attitude toward the existence of BUMDes. This support is reflected in the acceptance of BUMDes programs and expectations that BUMDes will improve the village's economic welfare. However, active community involvement in management and business development remains limited, indicating that economic conditions influence the level of participation.

Based on these findings, it can be concluded that although social support for BUMDes has been established, the economic limitations of the community remain a challenge in encouraging more active participation. Therefore, efforts to strengthen BUMDes need to be accompanied by sustainable community

empowerment strategies so that socio-economic conditions can become a driving factor for the success of BUMDes.

Supporting and Inhibiting Factors in the Implementation of Village-Owned Enterprise (BUMDes) Policy in Majalengka Regency

The implementation of Village-Owned Enterprise (BUMDes) policy in Majalengka Regency cannot be separated from various factors that simultaneously act as both supporting and inhibiting elements at the village level. Although BUMDes policy has been normatively regulated in legislation, particularly Government Regulation No. 11 of 2021, in practice it faces varying implementation dynamics across villages. These differences are influenced by the characteristics of the social, economic, and institutional environments, as well as the capacity of available resources in each village. Therefore, it is essential to comprehensively identify the factors that support and hinder the implementation of BUMDes policy as a basis for policy evaluation and the formulation of future improvement recommendations.

1. Supporting Factors

a. Policy Standards and Objectives: Regulatory Clarity

Based on the results of observations and interviews, it can be analyzed that regulatory clarity plays a significant role as a supporting factor in the implementation of BUMDes policy in Majalengka Regency. Strengthening the legal status of BUMDes as a legal entity provides legal certainty, which was previously one of the main weaknesses in BUMDes management. With this legal status, BUMDes gains legitimacy to establish business partnerships, manage village assets professionally, and access broader business development opportunities. In addition, Government Regulation No. 11 of 2021 provides detailed provisions regarding organizational structure, governance, and development mechanisms of BUMDes, thereby minimizing multiple interpretations at the village level.

However, although regulations are clear and comprehensive, their effectiveness still depends on the ability of implementing actors to understand and translate these regulations into practical management. Regulatory clarity will function optimally as a supporting factor when accompanied by adequate socialization, capacity building for village officials and BUMDes managers, and consistency of regional policies aligned with national regulations. Thus, clear regulations should be understood not only as normative documents but also as strategic instruments to strengthen sustainable BUMDes policy implementation in Majalengka Regency.

b. Resources: Village Fund Support

Based on the overall results of observations and interviews, it can be concluded that Village Funds (Dana Desa) have strong potential as a supporting factor in the implementation of BUMDes policy in Majalengka Regency. However, the effectiveness of this support is highly dependent on the institutional readiness of BUMDes, the quality of business planning, and the ability of villages to implement accountable budgeting procedures. Therefore, Village Funds do not automatically function as a supporting factor but are conditional in nature.

When planning, deliberation, and supervision mechanisms function properly, Village Funds can significantly strengthen BUMDes policy implementation. Conversely, when BUMDes are inactive or governance is weak, Village Funds cannot be utilized optimally. This condition indicates that financial support must be accompanied by institutional strengthening and continuous assistance to ensure that Village Funds truly serve as a key driver of successful BUMDes policy implementation.

c. Economic, Social, and Political Environment: Conducive Political Environment

Based on the results of observations and interviews, it can be analyzed that a stable political environment serves as a supporting factor for BUMDes policy implementation when there is alignment of interests among local political actors. Political support in this context is not necessarily partisan but is reflected in the commitment of village and regional governments to maintain policy continuity, provide space for BUMDes managers to operate professionally, and avoid short-term political interference. In a stable political environment, BUMDes policy is more likely to be understood as a strategic and sustainable village development agenda rather than an instrument of particular group interests.

However, the findings also indicate that when local political dynamics are marked by conflicts of interest, leadership changes without policy continuity, or weak commitment from political actors, policy implementation becomes suboptimal. In such situations, BUMDes risk stagnation, reduced budget support, and even cessation of operations. This suggests that political stability is not only about the absence of conflict but also about consistency in policy direction and commitment from implementing actors.

Thus, a stable political environment can be understood as a supporting factor for BUMDes policy implementation in Majalengka Regency when it creates a conducive, consistent, and sustainable policy climate free from short-term political interests. This finding aligns with the policy implementation theory of George C. Edwards III, which emphasizes the importance of implementers' disposition and commitment in determining policy success. Therefore, strengthening local political stability and policy consistency is essential to support the sustainability and effectiveness of BUMDes as an instrument of village economic development.

d. Economic, Social, and Political Environment: Village Potential

Based on interviews with the Head of Cibodas Village (Informant 5) and the Head of Sidamukti Village (Informant 6), different conditions were identified. Both informants stated that village potential has not been utilized in BUMDes business development due to the inactivity of BUMDes in their respective villages. This indicates that the existence and activeness of BUMDes are prerequisites for managing village potential institutionally.

From the results of observations and interviews, it can be analyzed that village potential is substantively a supporting factor in BUMDes policy implementation in Majalengka Regency, but its role is highly conditional. In villages where BUMDes are active and institutionally well-managed, village potential can serve as a driving force for business development and local economic growth. The utilization of natural resources, human resources, and existing economic activities enables BUMDes to develop businesses that align with the needs and capacities of the local community.

In contrast, in villages where BUMDes are inactive, village potential remains underutilized and does not contribute to policy implementation. This indicates that village potential does not automatically become a supporting factor but requires active BUMDes institutions, proper business planning, and support from implementing actors. These findings suggest that the failure to utilize village potential is not solely due to limited resources but is more closely related to weak governance and institutional sustainability of BUMDes.

Therefore, village potential can function as a supporting factor in BUMDes policy implementation when it is systematically integrated into BUMDes business planning and management. Strengthening managerial capacity, conducting comprehensive mapping of village potential, and ensuring consistent policy support are key to ensuring that village potential is not only recognized normatively but also effectively utilized to

enhance the success of BUMDes as an instrument for community economic empowerment in Majalengka Regency.

2. Inhibiting Factors

a. Inter-Organizational Communication: Weak Inter-Organizational Communication

Based on the results of observations and interviews, it can be analyzed that weak inter-organizational communication is an inhibiting factor that directly affects the effectiveness of BUMDes policy implementation in Majalengka Regency. Policy information that is not evenly disseminated creates gaps in understanding among policy implementers, both at the village level and among BUMDes managers. This results in low consistency in regulatory implementation, weak coordination among actors, and minimal synergy in BUMDes development.

In addition, suboptimal communication also hinders the processes of guidance, mentoring, and supervision that should be carried out continuously by the local government toward village governments and BUMDes managers. As a result, various problems in BUMDes management are often not identified and addressed in a timely and appropriate manner. Therefore, strengthening inter-organizational communication through more systematic, transparent, and continuous coordination mechanisms is essential to ensure that BUMDes policy implementation in Majalengka Regency can run more effectively and in line with the established policy objectives.

b. Resources: Limited Capacity of BUMDes Human Resources

The condition of limited human resources is further emphasized by an interview with the Head of Majalengka Sub-district (Informant 4), who highlighted the practice of appointing BUMDes managers that is not based on entrepreneurial competence. The informant explained that local political influence and social proximity are often the main considerations in selecting BUMDes managers, rather than professional capacity and capability.

Based on the results of observations and interviews, it can be concluded that limited human resources constitute a structural inhibiting factor in the implementation of BUMDes policy in Majalengka Regency. Low human resource capacity results in unprofessional management of BUMDes, limited innovation, and low adaptability to economic dynamics and market needs. In addition, these limitations also affect weak administrative and financial governance, which in turn reduces public trust in BUMDes.

These findings indicate that human resource problems are not only related to individual competence but also to recruitment and placement mechanisms that are not fully based on competence and professionalism. Therefore, strengthening human resource capacity through training, mentoring, and the selection of competent managers free from short-term political interests is an urgent need to improve the effectiveness of BUMDes policy implementation. Without adequate human resource support, the goal of BUMDes as an instrument for rural economic empowerment will be difficult to achieve optimally and sustainably.

c. Weak Continuous Evaluation System

Based on the results of observations and interviews, it can be concluded that the monitoring and evaluation system of BUMDes in Majalengka Regency has not yet been implemented optimally and in a structured manner. Monitoring tends to be merely administrative formalities, not based on clear performance indicators, and is not accompanied by an evaluation mechanism capable of encouraging continuous improvement in BUMDes performance. This weakness causes various management problems to remain unresolved in a timely manner and results in low productivity and business sustainability.

The weak monitoring and evaluation system also reflects the lack of integration among village, sub-district, and regency governments in supervising and guiding BUMDes. Ideally, an effective monitoring and evaluation system should serve as both a policy control tool and a learning mechanism for BUMDes managers. Therefore, strengthening the monitoring and evaluation system through the development of clear performance indicators, standardized reporting systems, and follow-up actions based on evaluation results is a strategic step that needs to be undertaken to improve the effectiveness of BUMDes policy implementation in Majalengka Regency.

Strategies to Overcome Inhibiting Factors in the Implementation of Village-Owned Enterprise (BUMDes) Policy in Majalengka Regency

1. Strengthening Communication and Coordination Mechanisms Between Institutions

Based on the results of observations and interviews, it can be concluded that strengthening communication and coordination mechanisms between institutions remains both a challenge and an opportunity in the implementation of BUMDes policy in Majalengka Regency. Villages that take the initiative to improve communication patterns and clarify institutional coordination tend to be better prepared to manage BUMDes sustainably. Conversely, weak inter-institutional communication leads to program misalignment, low participation, and suboptimal implementation of business activities.

Strengthening inter-institutional communication should be directed toward establishing structured, regular, and needs-based coordination mechanisms for BUMDes management. This includes clarity in communication flow, division of roles among institutions, utilization of information technology, and the creation of inclusive coordination spaces. In addition, cross-level policy communication and synergy among village business institutions are essential prerequisites to ensure that BUMDes does not operate in isolation but is integrated into broader village development agendas. With effective communication and coordination, BUMDes policy implementation is expected to become more optimal, sustainable, and beneficial for improving rural community welfare.

2. Enhancement of Training Programs and Capacity Building for BUMDes Managers

Based on the results of observations and interviews, it can be concluded that efforts to enhance training programs and capacity building for BUMDes managers in Majalengka Regency have received attention from various stakeholders; however, their implementation is not yet evenly distributed or optimal. Existing training programs tend to focus on administrative and institutional aspects, while strengthening entrepreneurial capacity and sustainable business practices still requires improvement.

Therefore, structured, contextual, and continuous capacity building is expected to produce professional and adaptive BUMDes managers who are capable of effectively managing village potential to support successful policy implementation. Strengthening human resource capacity is a key requirement in ensuring that BUMDes can function as productive and sustainable economic institutions at the village level.

3. Strengthening Monitoring and Evaluation Systems on a Regular Basis

Field observations show that data collection mechanisms for BUMDes are generally carried out through periodic reports submitted by BUMDes managers to village governments and subsequently forwarded to sub-district and regency levels. These reports include information on institutional status, business activities, and financial conditions. However, in practice, not all BUMDes are able to consistently prepare reports in accordance with established standards. This results in data that does not fully reflect the actual performance of BUMDes in the field, thereby weakening the quality of evaluation processes.

In addition, observations indicate that monitoring and evaluation results have not been systematically followed up with specific policy recommendations or targeted development programs. Evaluations tend to be general in nature and are not yet integrated with medium- and long-term BUMDes development plans. Ideally, an effective evaluation system should be able to identify specific problems such as management weaknesses, capital constraints, limited human resources, and low community participation, and then translate them into appropriate policy interventions.

This view is also supported by the Head of Majalengka Sub-district (Informant 4), who stated that BUMDes monitoring and evaluation activities have been scheduled periodically and integrated with overall village governance monitoring. This approach indicates that BUMDes is positioned as an integral part of village governance, particularly in the management of village funds and capital participation.

Based on these findings, it can be concluded that strengthening a regular monitoring and evaluation system is an urgent need in the implementation of BUMDes policy in Majalengka Regency. This strengthening not only requires the availability of accurate data but also the effective utilization of evaluation results as a basis for policy formulation and more targeted, responsive development programs. With a strong monitoring and evaluation system, BUMDes policy implementation is expected to become more effective, transparent, and sustainable.

4. Optimization of Local Potential through Village Needs-Based Business Planning

Overall, the findings show that the optimization of local potential through village needs-based business planning still faces various challenges in Majalengka Regency. Differences in village capacity, limited resources, weak analysis of local potential and needs, and low community involvement are factors affecting the quality of BUMDes business planning.

Therefore, more intensive assistance and facilitation from the local government are required to support villages and BUMDes managers in conducting potential mapping, needs analysis, and the formulation of contextual, participatory, and sustainability-oriented business plans. Such efforts are essential to ensure that BUMDes can truly function as an effective instrument for strengthening the village economy.

4. Conclusions

Based on the results of the research and discussion comprehensively presented in Chapter IV regarding the Implementation of Village-Owned Enterprise (BUMDes) Management Policy in Majalengka Regency, the researcher draws several conclusions structured in accordance with the research problem formulation as follows:

1. Implementation of Village-Owned Enterprise (BUMDes) Management Policy in Majalengka Regency

The implementation of BUMDes management policy in Majalengka Regency can be concluded through several main sub-aspects that reflect the dynamics of policy implementation at the village level, as follows:

a. Policy Communication in BUMDes Management

The study concludes that policy communication in BUMDes management in Majalengka Regency has been carried out but is not yet fully effective. Local governments and village administrations have generally disseminated information regarding BUMDes policies to implementers at the village level. However, the communication process remains largely one-way and normative, thus failing to build a deep and uniform understanding among policy implementers.

This variation in understanding is evident in how villages interpret the objectives, functions, and mechanisms of BUMDes management. In some villages, BUMDes is seen as an instrument for community economic empowerment, while in others it is perceived merely as an administrative

obligation. This communication gap results in weak coordination among village governments, BUMDes managers, and communities, thereby limiting policy effectiveness and consistency. Therefore, policy communication is a crucial element determining the success of BUMDes implementation, as without clear, intensive, and continuous communication, policy objectives cannot be effectively translated into practice.

b. Resources in BUMDes Policy Implementation

The study concludes that resource limitations are a dominant factor affecting BUMDes policy implementation in Majalengka Regency. Human resources in most villages still lack managerial, entrepreneurial, and financial management competencies, resulting in non-professional and unsustainable management practices.

In addition to human resources, financial limitations and inadequate supporting facilities also hinder BUMDes development. Limited capital and infrastructure restrict business expansion and innovation, resulting in low economic contributions from BUMDes to rural communities.

Thus, the success of BUMDes policy implementation highly depends on the adequacy and quality of resources. Without sufficient resources, well-formulated policies cannot be optimally implemented.

c. Implementers' Attitudes and Perceptions toward BUMDes

The study concludes that implementers' attitudes and perceptions significantly influence BUMDes policy implementation. Implementers with positive perceptions of BUMDes as a community empowerment instrument demonstrate stronger commitment to its development. Conversely, villages with negative or passive perceptions tend to have inactive or merely formal BUMDes operations.

These perceptions are influenced by previous failures, limited resources, and lack of social and political support. Therefore, implementers' attitudes determine not only understanding but also the seriousness and sustainability of policy implementation at the village level.

d. Bureaucratic Structure and BUMDes Governance

The study finds that bureaucratic structure and governance of BUMDes in Majalengka Regency remain weak. Many BUMDes lack clear standard operating procedures (SOPs), structured administration systems, and effective supervisory mechanisms.

Coordination between village governments, BUMDes managers, and local authorities is also suboptimal. Weak monitoring and evaluation systems result in unresolved management issues, leading to stagnation or even termination of BUMDes operations in some villages. Thus, strengthening institutional governance is essential to ensure the sustainability and effectiveness of BUMDes as a rural economic development instrument.

2. Factors Influencing BUMDes Policy Implementation in Majalengka Regency

The implementation of BUMDes policy is influenced by several interrelated factors, as follows:

a. Local Government Support

Local government support plays a strategic role in BUMDes implementation. This support includes legal facilitation, administrative assistance, and policy planning that integrates BUMDes into rural development strategies.

However, its effectiveness varies across villages due to differences in capacity and resource availability. Therefore, implementation success depends on village readiness in following up government support.

b. Village-Based Business Planning

Business planning based on local potential and community needs is a key determinant of BUMDes success. Villages that conduct proper potential mapping and needs analysis tend to have more adaptive and sustainable BUMDes.

Conversely, weak planning leads to inactive or failed BUMDes. Thus, participatory and contextual planning is essential for sustainability.

c. Implementers' Perception of BUMDes as an Empowerment Tool

Implementers' perception strongly affects policy direction and implementation quality. Positive perceptions lead to higher commitment, while negative perceptions—often due to past failures—result in low seriousness in managing BUMDes.

Thus, perception is a critical psychological factor influencing policy effectiveness.

d. Community Participation

Community participation is a crucial factor in BUMDes success. High participation leads to more dynamic and sustainable management, where communities act not only as beneficiaries but also as actors and supervisors.

Low participation, however, leads to weak sustainability. Therefore, community engagement is a key social capital in BUMDes development.

e. Socio-Economic Conditions of Society

Socio-economic conditions significantly influence BUMDes implementation. Limited income, low literacy, and restricted time reduce community participation. However, strong social cohesion and mutual cooperation can support BUMDes development.

Thus, socio-economic conditions function as both supporting and inhibiting contextual factors.

3. Strategies to Overcome Inhibiting Factors in BUMDes Policy Implementation in Majalengka Regency

The study identifies several strategic efforts to address implementation barriers:

a. Strengthening Human Resource Capacity

Human resource development through training, mentoring, and capacity building is essential. However, implementation remains uneven and requires more intensive and equitable programs.

b. Strengthening Monitoring and Evaluation Systems

Monitoring and evaluation systems need to shift from administrative procedures to analytical tools that support continuous improvement and policy feedback.

c. Optimization of Local Potential through Needs-Based Planning

Effective utilization of village potential requires proper mapping, participatory planning, and contextual business strategies. Without this, BUMDes risk misaligned business development.

d. Strengthening Implementers' Commitment and Perception

Improving awareness and commitment through socialization and guidance is crucial to ensure that BUMDes is understood as a strategic empowerment instrument, not merely an administrative obligation.

e. Increasing Community Participation and Empowerment

Community involvement must be strengthened to ensure sustainability. Without active participation, BUMDes will lose its social foundation and empowerment function.

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