

The Influence of Internal Village Development Strategies Increase Village Income Through Village Owned Business Entity (Bumdes) in the Village Sei Red, Tanjung Morawa District Deli Serdang Regency

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ABSTRACT

This study aims to determine whether the village development strategy has an effect on increasing village income in Sei Merah Village, Kec . Tj Morawa . The method used in this study is a quantitative method with several tests, namely reliability and simple *linear regression* . Based on the results of the primary data regression which was processed using SPSS 18 , the following simple linear regression equation was obtained : $Y : 21.622 + 0.704X$. Based on these data, it can be determined that the size of the t table is 2,003 and it is known that the village development strategy variable has a t count of 5.608, when compared to the t table, the result is $5.608 > 2.003$, so it can be concluded that the village development strategy variable has a significant effect on the variable of increasing village income. Based on the results of the regression calculation of the coefficient of determination of the summary model in the table above, it can be seen that the coefficient of determination (R square) obtained in this study is 0.360. This means that 36% of the variables of increasing village income can be influenced by the variables of village development strategies. While the remaining 64% can be influenced by other independent variables that are not included in the study.

Keywords : Village Development, Village Income

Introduction

Village development is essentially the basis of national development, because if each village has been able to carry out development independently, the prosperity of the community will be easily realized and nationally will increase the prosperity index of the Indonesian people. National Development is an effort made to improve all aspects of the life of the community, nation and state. The purpose of development is to build self-reliance, including rural development. Most of the Indonesian people live in rural areas. Therefore, the central point of development is rural areas.

National development is generally oriented towards improving the welfare of the people in the economic sector. The village is the main center of economic development because the village is the initial sector of the state's economic activity cycle. In effort increase public welfare, The Government of Indonesia through the Agency Community Empowerment and Village development establish a financial entity, namely Village Owned Enterprises (BUMDes) is a financial institution whose main goal is to provide credit loans to people who need to run a business, besides that BUMDes can also establish businesses to increase community economy.

As wrong one agency economy which operating in In rural areas, BUMDes must have differences with economic institutions in general. This is intended so that the existence and performance of BUMDes can make a significant contribution to improving the welfare of the community. So it can be said that BUMDes has two main functions, namely as a social institution and a village commercial institution. BUMDes as a social institution has a contribution as a provider of social services, while its function as a commercial institution means that BUMDes aims to seek profit through offering local resources (goods and services) to the market.

The type of business managed by BUMDes has been regulated in a ministerial regulation covering services, distribution of nine basic commodities, trading of agricultural products, and or

small and home industries and can be developed according to the potential needs of the village. From the various efforts carried out by BUMDes, it is hoped that later it can be used for business development, village development, empowerment of rural communities, and providing assistance to the poor through grants, social assistance, and revolving fund activities set out in the Village Revenue and Expenditure Budget.

One of the villages that has established the BUMDes program is Sei Merah Village, which is located in Tj Morawa District, Deli Serdang Regency. In this study, the establishment of BUMDes Sei Merah Serasi is included in the bottom *-up planning*, this is because BUMDes Sei Merah Serasi is no longer established on the basis of instructions from the government, but is based on the initiative of a villager who wants to combining previously existing village businesses to become one in a village institution, as well as developing other businesses that are beneficial to the villagers. Based on the residents' proposals, the community representatives together with the Village Head and Village Government held a Village Deliberation together with other community organizations such as the BPD, NGOs, and community leaders regarding the planning for the establishment of the village program.

One of the BUMDes Sei Merah Serasi programs in improving the community's economy is the Savings and Loan Cooperative, where BUMDes collects funds from the community and then distributed it to the community for the development of a home-based business managed by BUMDes with a maximum distribution of 4 million per head of family. community welfare in Sei Merah village, Kec. Tj Morawa. BUMDes has been running for five years and there have been many people who have been helped by this BUMDes activity, and it can be seen from the table below:

Table 1:1 Proportion of Distribution of Capital to Residents

No	Year	Amount Distributed	Receiver
1	2014	Rp. 50,000,000	20 Family Heads
2	2015	Rp. 85.75 million	30 Family Heads
3	2016	Rp. 157,000,000	40 Family Heads
4	2017	Rp. 180,000,000	50 Family heads

Source: Sei Merah Serasi BUMDes Distribution Data (2018)

Based on the data above, it can be seen that the establishment of the Savings and Loans Cooperative in Sei Merah Village was very positively welcomed by the residents of Sei Merah Village. This can be seen from the increase in the number of funds distributed to residents in the context of business development which increases every year, although there are still few residents who receive interest-free loan assistance, this activity will continue to be carried out so that more people will be assisted. Therefore, in order for this BUMDes activity to continue, it requires the participation of residents to save a little of their funds to the cooperative so that more will be channeled to residents to develop their business. Because more people are assisted in business development, the welfare of citizens will increase.

Based on the background of the problems described above, the researchers are interested in conducting a study entitled "The Influence of Village Development Strategies in Increasing Village Income Through Village-Owned Enterprises (BUMDes) in Sei Merah Village, Kec. Tj Morawa " .

Formulation of the problem

Does the Village Owned Enterprise (Bumdes) have an effect on increasing village income in Sei Merah Village, Kec. Tj Morawa ?

Scope of problem

The Influence of Village Development Strategies in Increasing Village Income Through Village Owned Enterprises (BUMDes) in Sei Merah Village, Tanjung Morawa District, Deli Serdang Regency .

Definition and Indicators of Village Development

Development according to several experts, namely: development according to Kuncoro (2014: 87) argues that "Village development is a process in which a community creates an environment that affects the results of economic development". According to Sun'an and Senuk (2015:1) argue that "regional development is an open system, something that is not limited". Furthermore, according to Ali Kabul and Trigunarso (2017: 29) argues that "village development is a continuous effort to create conditions that can provide more valid alternatives *for* every citizen to achieve his most humanistic aspirations".

According to Arikunto (2016:137), "indicators are things or something that can show or be a guide for variables so that they can be observed or can be measured". Village development indicators are:

1. Building a Village Together
2. Supervision
3. Diversity of citizens/society
4. Coordination
5. Communication
6. Policy implementation
7. Achievement Achievement

Village Development Steps and Models

Regional development involves activities that mobilize all resources (human, funds, materials, equipment, and methods). The existence of all resources to carry out activities is limited by space, time and institutions. Therefore, it is necessary to manage activities that include 4 (four) major steps as follows (Sunan and Senuk, 2015:6):

1. Planning (*Planning*) plans and determines regional development activities based on short-term, medium-term, and long-term targets through consideration of priorities and availability of resources.
2. Organizing *organizes* and allocates resources and time based on development activities, including systems and work procedures.
3. Implementation (*Actualiting*) carry out development activities in accordance with the plans that have been set, based on the action plans drawn up within the organizational framework and resource allocation.
4. Controlling controls development implementation activities in order to achieve the planned goals , within organizational boundaries and resource allocation, in accordance with the action plan schedule.

According to Adisasmita (in, Sun'an and Senuk (2015: 5) The development model can be seen from various dimensions, seen from the political, economic, social, cultural, administrative and other dimensions. Based on its development, many economic development models are used by developing countries. developing countries are as follows:

1. Model I, focuses on the Growth of Domestic Product (GDP), which developed in the 1950s and 1960s. Based on the assumption that economic growth can be achieved by implementing large investments or investments in the industrial sector by placing projects that mutually support each other centered on a region or part of a region.
2. Model II, focuses on equity and fulfillment of basic needs that developed in the 1970s. Development that is oriented to meeting basic needs including the development of employment and business opportunities, poverty eradication, health and nutrition improvement, clean water and housing, is a development strategy that is more suitable for developing countries.
3. Model III, focuses on the development of the quality of human resources (HR), which developed in the 1980s. This model seeks to develop community participation in the development process through community empowerment, community learning, and utilization of local resources, in the context of developing local communities.

Village Development Goals and Strategies

According to Ali Kabul and Trigunarso (2017: 48) the purpose of regional development planning is to prepare a development plan which is a guide or reference for local governments to carry out development based on the capabilities and potential of resources (natural and human) as well as existing economic opportunities. , so that it can be captured quickly.

The expected benefit is an increase in the quality / standard of living of the community so that they enjoy a better life than before and the area can develop quickly and sustainably. Regional development planning produces regional development plans that stipulate socio-economic, physical (infrastructure) development activities, which are carried out in an integrated manner by the sectoral, public and private sectors.

According to Adisasmita (in, Helmei (2008:8) Rural development should be seen as an effort to accelerate rural development through the provision of facilities and infrastructure as well as efforts to accelerate effective and solid regional economic development". Development goals according to Siagian (in Yuni Syahara, 2013: 5) namely to accelerate the realization of a just and prosperous society which was the main reason for the proclamation of Indonesian independence. The target (target) is the expected result of a program or expected output from a Sumpeno activity (in Yuni Syahara, 2013:6).

According to Adisasmita (in Yuni Syahara, 2013:6) revealed that in economic development exists integrated and comprehensive strategy which consists of 7 approaches in describe development village namely:

1. T goal The main thing is growth equality, welfare and active participation of the village community.
2. The target is build and strengthen ability to carry out development with the government.
3. The scope is diverse society and complex .
4. Coordination is coordination good variety permanent or temporary in all levels, functions, needs and the mechanism.
5. Current two-way communication formally, informally, vertically, horizontal, diagonal and sustainable through various channel and form of means persuasive communication and educative.
6. Place of initiative are groups local government community and village through gathering information, determination and decision-making, policy implementation and integrated monitoring of activities, interconnected and continuous.

7. Performance indicators that achieved based on rural problem solving strategic, namely the population aspect and various activities that carried out directed to improvement of equality, equity, justice, welfare and community participation associated with the goal. Village Owned Enterprises (BUMDes)

Definition and Purpose of BUMDes

The definition of BUMDes according to Law No. 6 of 2014 (in Amelia, 2004: 1) is a village economic institution/body that is a legal entity formed and owned by the Village Government, managed economically independently and professionally with all or most of the capital being separated village assets. According to Alkahdafi (in Edy Yusuf, 2016: 69) BUMDes is an institution formed by the village government and the community manages the institution based on the needs and the village economy. BUMDes is formed based on the applicable laws and regulations based on an agreement between village communities. The purpose of BUMDes is to improve and strengthen the village economy. BUMDes has a function as a commercial institution through offering local resources that aim to seek profit and social institutions through contributing to the provision of social services that favor the interests of the community. BUMDes has made a positive contribution to strengthening the economy in rural areas in developing the community's economy, especially in facing the 2015 Asean Economic Community.

Characteristics that distinguish BUMDes from Commercial Economic Institutions. According to Maryunani (in Edy Yusuf, 2016: 69) the main characteristics that distinguish BUMDes from commercial economic institutions are as follows:

1. The business entity is owned by the village and its management is carried out jointly.
2. 51% of business capital comes from village funds and 49% comes from community funds.
3. Operations are carried out based on a local culture-based business philosophy.
4. The potential of the village and the results of available market information form the basis for running a business field.
5. The profits obtained by BUMDes are used for efforts to improve the welfare of members and the community based on the regulations that have been prepared.
6. The facilities are supported by the Provincial, Regency, and Village Governments.
7. The implementation of BUMDes operations is jointly supervised by the Village Government, BPD and members.

BUMDes Legal Basis

The establishment of BUMDes is based on Law no. 32 of 2004 concerning Regional Government and PP No. 72 of 2005 concerning Villages, among others as follows:

1. UU no. 32 of 2004 concerning Regional Government; Article 213 paragraph (1) "Villages may establish village-owned enterprises in accordance with the needs and potential of the village" .
2. PP No. 72 of 2005 concerning Villages: Article 78
 - 1) In increasing the income of the community and the village, the village government can establish a village-owned enterprise in accordance with the needs and potential of the village.
 - 2) The establishment of a Village-Owned Enterprise as referred to in paragraph (1) shall be stipulated by a Village Regulation guided by the statutory regulations.
 - 3) The form of Village-Owned Enterprises as referred to in paragraph.
 - 4) The management of the Village-Owned Enterprises consists of the village government and the community. Article 80.

Village Income / D area**Definition of Village Original Income**

According to Aryad (in Joni Arman, 2014:217) argues that "Income is an indicator of development other than to distinguish the level of economic progress between developed countries and developing countries". According to the provisions of Law Number 6 of 2014 concerning Villages, Article 71 Paragraph (1) (in Sri Maulidiah, 2016:147) Village finances are all Village rights and obligations that can be valued in money and everything in the form of money and related goods. with the implementation of Village rights and obligations. Article 72 Paragraph (1), it is stated that the source of village income comes from:

- a. Village original income consists of business results, asset returns, self-help and participation, mutual cooperation, and other village original income
- b. Allocation of State Revenue and Expenditure Budget
- c. Part of the results of regional taxes and regional levies at the Regency/Municipality
- d. Village fund allocation which is part of the balancing fund received by the Regency/City
- e. Financial assistance from the Provincial Revenue and Expenditure Budget and the Regency/City Regional Revenue and Expenditure Budget
- f. Non-binding grants and donations from third parties
- g. Other legitimate village income.

According to the explanation of Law Number 6 of 2014 Article 72 Paragraph (1) letter a What is meant by "Original Village Income" is income that comes from the authority of the Village based on the rights of origin and the authority of the local Village scale. What is meant by "operating results" includes the results of BUMDes.

Village Original Income Concept

Village income sources according to Widjaja (in Evelin, 2013:4) in In his book entitled "Village Autonomy", Village income sources consist of:

1. Village Income Source
 - a. Sources of village income consist of village original income which includes:
 - a) Village business results .
 - b) Village wealth .
 - c) Results of self-help and participation .
 - d) Other legitimate village original income.
 - b. Assistance from the Regency Government which includes:
 - a) The share of regional tax and retribution revenue .
 - b) Part of the central and regional financial balance funds .
 - c) Assistance from the Government and Provincial Government.
 - c. Donations from third parties .
 - d. Village loan .
2. Ownership and Management, which includes :
 - a. The source of income that has been owned and managed by the Village is not allowed to be taken by the Government or Local Government. Empowering village potential in increasing village income carried out, among others, by establishing Village-Owned Enterprises (BUMD), cooperation with third parties and the authority to make loans. Sources of regional income in the village, both taxes and levies that have been collected by the Regency are not justified the existence of a levy by the Village Government. Regional Income from sources continue to be given to the village concerned with the proportional and fair distribution. These provisions are intended for eliminate the burden of high economic costs and other impacts.

- b. The APBDes management activities that are determined every year include: preparation of the budget for the implementation of financial administration and changes and budget calculations.

According to Government Regulation No. 72 of 2005 Village income sources consists of:

1. PAD:

- a. Village Business Results .
- b. Village Wealth Results .
- c. Self-help and Participation Outcomes .
- d. Mutual Cooperation Results .
- e. Other valid PAD

2. Revenue sharing of Regency/City Taxes & Levies

- a. Local Tax, at least 10% .
- b. Regional levies, partly .

2. Part of the Central and Regional Fiscal Balance Fund received by Regency/City, at least 10% which is divided proportionally is the Village Fund Allocation (ADD).

3. Financial assistance from the Government, Provincial Government, and Government Regency/City in the Implementation of Affairs. governance .

4. Non-binding third party grants and donations.

So the source of village income must get management effective and efficient administration, so that the use or expenditure of the village can be organized according to the needs or needs of the village government.

Village Income Indicator

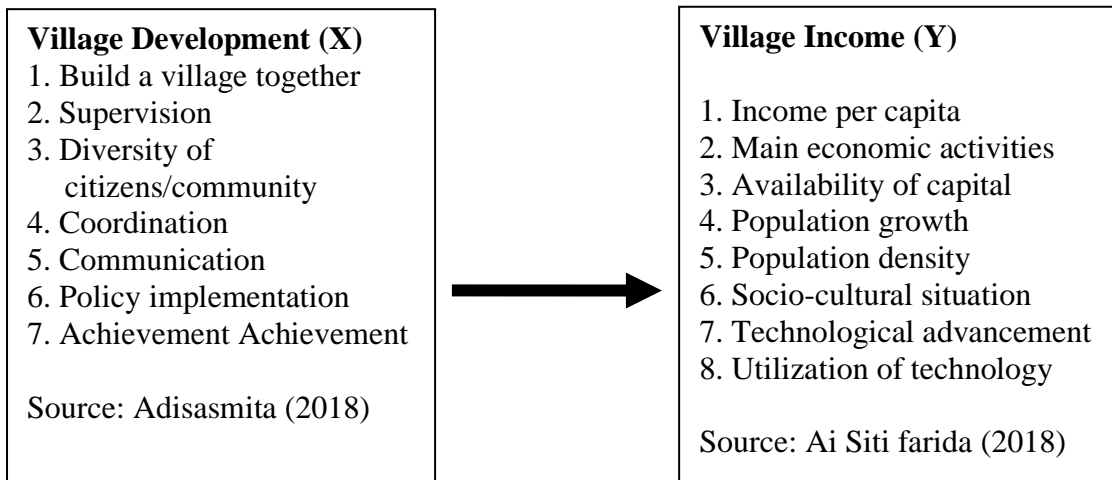
According to Arikunto (2016:137), "indicators are things or something that can show or be a guide for variables so that they can be observed or can be measured". Village income indicators are:

1. Income per capita
2. Main economic activities
3. Availability of capital
4. Population growth
5. Population density
6. Socio-cultural situation
7. technology advances
8. Technology utilization

Conceptual Framework

According to Uma Sekaran (in Sugiyono, 2017:60), "The thinking framework is a conceptual model of how theory relates to various factors that have been identified as important problems" . Based on the theoretical basis, the conceptual framework presented in the study can be seen in the following figure:

Figure 2.1
conceptual framework



Methodology

Research design

According to Azwar (2013:1) stated that research design is "a series of scientific activities in order to solve a problem". The research design that serves to assist the implementation of this research is a descriptive method through a quantitative approach. To determine the effect of village development strategies in increasing village income through Village Owned Enterprises (BUMDes). The location of this research is Sei Merah Village, Tanjung Morawa District, Deli Serdang Regency, North Sumatra and the population in this study amounted to 140 people. The sample used in this study amounted to simple random sampling (*simple random sampling*). The simple random technique is a technique that gives every member of the population an equal chance to be selected as a sample .

To analyze the information data obtained, the authors use the method of Simple Linear Regression Analysis, Partial Test (t-test), and Coefficient of Determination Test.

Variable Measurement

The measurement of variables uses a Likert scale which is based on the sum of the attitudes of the respondents in responding to the questions or variables being measured. The Likert -style scale according to Sugiyono (2017:93) is a scale used to measure attitudes, opinions, and perceptions of a person or group of people about social phenomena.

Research Instruments

According to Sugiyono (2017:102), because in principle research is to take measurements, there must be a good measuring instrument. Measurement tools in research are usually called research instruments. So the research instrument is a tool used to measure the observed natural and social phenomena. Specifically, all of these phenomena are called research variables. In this study, primary data and secondary data were used.

Research Results And Discussion

Simple Linear Regression Analysis

The simple regression equation can be seen from the value of the coefficient b in the following table:

**Table
Simple Linear Regression Analysis
Coefficients^a**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	21,622	6.428		3.364	.001
SPD	.704	.125	.600	5,608	.000

a. Dependent Variable: TPD

From the calculations using the SPSS (*Statistical Program For Social Schedule*) version 17.0 application, we get:

Constant (a) : 21.622

Village Development Strategy (b) : 0.704

So the simple linear regression equation for 1 predictor (village development strategy) is:

$$Y : 21.622 + 0.704X$$

Information :

- 1) Constant value = 21.622 indicates if the value of the village development strategy dimension is zero. So the increase in village income through Village-Owned Enterprises (BUMDes) in Sei Merah Village, Kec. Tj Morawa's value is 21,622.
- 2) An increase in village income (b) by 0.704 with a positive relationship direction indicates that if the village development strategy variable (X) has an increase of 1%, then the variable of an increase in village income (Y) will increase by 0.704. The positive coefficient means that there is a positive relationship between the village development strategy variable (X) and the village income increase variable (Y), the better the strategy applied, the higher the village income will be.

Partial Test (t Test)

The t-test was conducted to test whether the independent variable (X) individually had a significant relationship or not to the dependent variable (Y).

**Table
T-Test The Effect of Village Development Strategy on Increasing Village Income
Coefficients^a**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	21,622	6.428		3.364	.001
SPD	.704	.125	.600	5,608	.000

a. Dependent Variable: PPD

Criteria in this study:

- If the value of $t_{\text{arithmetic}} > t_{\text{table}}$ then H_0 is rejected, meaning that the independent variable (X) affects the dependent variable (Y).
- If the value of $t_{\text{count}} < t_{\text{table}}$ then H_0 is accepted, meaning that the independent variable (X) has no effect on the bound (Y).

Basis of decision making in this research:

- If the value of t with the probability correlation is sig-2 tailed $>$ a significant level (α) of 0.05, then H_0 is accepted, so there is no significant effect between variables X and Y.
If the value of t with the probability correlation of sig-2 tailed $<$ significant level (α) of 0.05, then H_0 is rejected, so there is a significant correlation between variables X and Y.

In the table above, it can be seen that the variable X, namely the village development strategy, has a significant value of $0.001 < 0.05$, which means that the village development strategy has a significant effect on increasing village income through Village Owned Enterprises (BUMDes) in Sei Merah Village, Kec. Tj Morawa. When viewed by comparing the value of t table, it is known that the significant level of this study is 5% (0.05), with a total df of 57 ($n - k$ or $58 - 1$), based on these data it can be determined that the size of the t table is 2.003 and it is known that the village development strategy variable has a t count of 5.608, when compared with the t table, the result is $5.608 > 2.003$, so it can be concluded that the village development strategy variable has a significant effect on the variable of increasing village income.

Coefficient of Determination

Testing the coefficient of determination is the magnitude of the coefficient value which shows the magnitude of the variation in the dependent variable which can be explained by the independent variable. In other words, the coefficient of determination is used to measure how far the independent variables used in this study in explaining the dependent variable. The value of the coefficient of determination is determined by R square as can be seen in the following table:

Table
Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.600 ^a	.360	.348	6.54762

- a. Predictors: (Constant), SPD
- b. Dependent Variable: PPD

Based on the results of the regression calculation of the coefficient of determination of the summary model in the table above, it can be seen that the coefficient of determination (R) obtained in this study is 0.600. This means that 60% of the variables of increasing village income can be influenced by the variables of village development strategies. While the remaining 40% can be influenced by other independent variables that are not included in the study.

Conclusion

Based on the results of the analysis and discussion on the effect of village development strategies in increasing village income through Village Owned Enterprises (BUMDes) in Sei Merah Village, Kec. Tj Morawa , it can be concluded as follows:

1. variable X, namely the village development strategy, has a significant value of $0.001 < 0.05$ which means that the village development strategy has a significant effect on increasing village income

through Village-Owned Enterprises (BUMDes) in Sei Merah Village, Kec. Tj Morawa . When viewed by comparing the value of t table, it is known that the significant level of this study is 5% (0.05), with a total df of 57 (n - k or 58 - 1), based on these data it can be determined that the size of the t table is 2.003 and it is known that the village development strategy variable has a t count of 5.608 , when compared to the t table, the result is $5.608 > 2,003$, so it can be concluded that the variable of village development strategy significant effect on the variable of increasing village income .

2. Based on the results of the regression calculation of the coefficient of determination of the summary model in the table above, it can be seen that the coefficient of determination (R square) obtained in this study is 0.360 . This means that 36 % of the variables of increasing village income can be influenced by the variables of village development strategies. While the rest 64% can be influenced by other independent variables that are not followed include in research.

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