

The Synergy of Bumdes (Village-Owned Enterprises) and BUMDA (Customary Village-Owned Enterprises) in the Perspective of Dynamic Governance in Kutuh Village, Badung District, Bali



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ABSTRACT: This study explores the synergy between Bumdes (Village-Owned Enterprises) and BUMDA (Customary Village-Owned Enterprises) within the framework of dynamic governance in Kutuh Village, Badung District, Bali. Dynamic governance is a contemporary approach that emphasizes adaptability, innovation, and participatory decision-making in managing public resources and institutions. Through qualitative methods, including interviews, observations, and document analysis, the research investigates how these two entities collaborate to enhance local economic development and community welfare.

The findings indicate that the synergy between Bumdes and BUMDA has significantly contributed to Kutuh Village's economic resilience and self-sufficiency. Bumdes focuses on leveraging local resources for commercial ventures, while BUMDA preserves and promotes traditional customs and social capital. Together, they create a balanced and sustainable development model that aligns with the principles of dynamic governance. The collaboration has led to successful initiatives in tourism, agriculture, and craft industries, driving increased income and employment opportunities for villagers.

KEYWORDS: Dynamic Governance, Sinergy, Bumdes, Bumda

I. INTRODUCTION

Governance in Indonesia has experienced significant developments, especially in positioning village governments in the national development sector. In 2019, village funds began to be allocated to every village in Indonesia through the jargon of building from the periphery. (Firdaus et al., 2020). The provision of village funds from the central government is part of strengthening the participation of village governments, which are no longer the object of development but the subject of development. This is stated in the Village Law, which expressly distinguishes between village development, which places the village as the subject of development, and rural development, which is the domain of the government. (Sidik, 2015) Special arrangements regarding village and rural area development can be seen. Village development aims to improve the quality of human life and poverty alleviation through the provision of basic needs, the development of facilities and infrastructure, the development of local economic potential, and the sustainable use of natural resources and the environment. Therefore, the Village Law uses two approaches, namely "Building Villages" and "Building Villages," which are integrated into village development planning. (Sidik, 2015). As a consequence, the Village prepares a village development plan that refers to the district/city development planning (regulated in Articles 78-82).

The concept of village development planning regulated in the Village Law has progressed and changed compared to the substance regulated in Government Regulation No. 72 of 2005 concerning Villages. Previously, village planning was part of district/city planning. (Meutia, 2017). Now, village development planning is village self-planning that stands alone and is decided by the village itself. The biggest challenge in the future is positioning the village government to manage dynamic governance-based governance. As for the meaning of dynamism, dynamism refers to endless changes in the learning process that are endless, effective, and efficient. Of course, the village government must be dynamic in facing the development of challenges and problems. Government, especially in this dynamic village, influences the ongoing economic development process and various social behaviors through policies, rules and structures that create incentives and, at the same time, restrictions for various activities that take place. (Rahmatunnisa, 2015). Meanwhile, governance is the relationship between the government and citizens that allows public policies and programs to be formulated, implemented and evaluated. In a broader context, it refers to the rules, institutions, and networks that determine how a country or organization functions. (Janssen & van der Voort, 2016).

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Village autonomy in Indonesia, including in Kutuh Village, Badung, Bali, refers to the right and authority of villages to regulate and manage the interests of local communities based on local origins and customs that are recognized and respected in the system of government of the Unitary State of the Republic of Indonesia. The implementation of Village Autonomy in Kutuh Village, Badung, Bali, has been carried out in various forms. Tourism Management: Kutuh Village is famous for Pandawa Beach, which is managed by local Village-Owned Enterprises (BUMDes). This management includes the development of infrastructure, marketing, and tourism services that benefit the local community.

Economic Development: Kutuh Village BUMDes is active in managing various village businesses such as parking lots, restaurants, and tourist services. The income from these businesses is used to finance village development, provide scholarships, and support other social activities. Cultural Preservation: Kutuh Village also plays a role in preserving Balinese customs and culture through various traditional activities and ceremonies supported by the village government and the community.

Community Empowerment: Community empowerment programs, such as skills training, business capital, and social activities, are implemented to improve the welfare and independence of village communities. Environmental Management: Kutuh Village is also active in protecting the environment with reforestation programs and good waste management. This includes initiatives to reduce the use of plastic and increase environmental awareness among the public and tourists. The challenges of the tourism sector in Badung Regency have experienced ups and downs during the COVID-19 pandemic. This event is a valuable lesson because it has a negative impact on economic growth, unemployment and poverty in the community in Badung Regency. The role of the village government is in the spotlight because, with the existence of village funds, the village government should be able to implement dynamic governance.

In this study, it is necessary to relate to previous studies. This aims to be a state-of-the-art and a supporter in carrying out research. First, a study entitled *Efforts to Realize Dynamic Governance in Public Services of the Population and Civil Registration Office of Sidoarjo Regency in 2022*, by Bimantara Nur Alim. The purpose of this study is to analyze dynamic governance in public services by paying attention to the elements of culture and capabilities, which include thinking ahead, thinking again, and thinking across. Through a qualitative descriptive research approach, it is shown that the lack of uneven competencies and the lack of labor force cause the idea of thinking ahead not to be planned more carefully. An element of capability that can be carried out they'll is thinking again, where the agency always reviews employee performance evaluations and analyzes the community's response to organizational performance. Furthermore, thinking across is an element of capability that has also been carried out by studying the success of other regions in organizing public service malls and then adopting them. (Alim, 2022)

The second research was titled *Dynamics of Village Governance based on Law Number 6 Year 2014 Concerning Village Communities in 2021* by Nany Suryawati. The purpose of the research is to be a legal community unit that has the power to regulate its government. The authority to take care of oneself has been possessed since the legal community unit was formed without being given by other people/parties. The method of conducting a study on the dynamics of village government related to positive law, normative juridical, by examining the position of village government in the constitution. Article 18B paragraph (2) and Article 18 paragraph (7) contain regulations regarding customary law communities. The conclusion of village government that is directly related to the community is to create a government that is sensitive to changes and developments that occur in accordance with Article 4 of Law Number 6 of 2014. As for the political process, government and village development no longer come from the central government's policies in the national development pattern. Providing authority to follow changes and developments by harmonizing customary law with applicable laws so that the existence of villages is maintained in the dynamics of village governance (Suryawati, 2021).

Based on the two previous studies, this study can position the value of novelty. First, it is related to the research locus where the researcher conducted an empirical study in Bumdes and Bumda in Kutuh Village in Badung Regency. Second, it is related to the theoretical study in this study, which uses the theory of dynamics governance from Neo and Chen's thoughts. Third, this study also focuses on analyzing the synergy of Bumdes and Bumda in supporting the realization of Dynamics Governance at the village level. Based on the description of the background of the problem, the problem can be formulated as follows: How is the Synergy of Bumdes and Bumda from the perspective of Dynamic Governance in Kutuh village in Badung Regency?

II. THEORY

Dynamics Governance refers to the dynamic nature of a governance system. Governance is not a static concept; it evolves and adapts to changing circumstances. (Oikonomou, 2020). Some of the key aspects that might be considered under the umbrella of "dynamic governance" may include:

- a) Adaptive Governance: It emphasizes the ability of governance systems to adapt to changing conditions, uncertainties, and complex challenges.
- b) Agile Governance: Reflects the importance of flexibility and responsiveness in governance structures, especially in a rapidly changing environment.

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- c) Policy Dynamics: This course explores how policies change and evolve in response to new information, social shifts, and emerging problems.

Definition of Dynamics: refers to the forces, processes, or changes in a system over time. It often involves the study of how systems evolve, adapt, and respond to internal and external influences. Governance or governance refers to the way in which an organization, community, or society is directed, controlled, and regulated. It includes the structures, processes, and mechanisms by which decisions are made and authority is exercised. Considering this definition, "dynamics governance" has the potential to refer to a theory or concept that explores dynamic aspects of governance. (Chen, 2023). Here are some theoretical studies in dynamic governance:

- a) Adaptive Governance: This concept focuses on the ability of a governance system to adapt to changing conditions, uncertainties, and complex challenges. It recognizes that governance structures must be flexible and responsive to a dynamic environment. Dynamic Governance Models: This can involve the study of governance models that explicitly explain and incorporate dynamic elements, such as a governance framework that recognizes the evolving nature of technology, society, or the economy.
- b) Policy Dynamics: Examining how policies change and evolve in response to new information, social shifts, and emerging issues. This could involve understanding the policy life cycle and the factors that affect their development and modification.
- c) Network Governance Dynamics: Exploring how collaborative networks and partnerships evolve. This may involve studying how different actors interact and work together within a governance network.

Dynamic governance is achieved through various policies that are continuously adapted to changes in the surrounding environment. Policy adaptation is not a passive reaction to pressure from outside but a proactive action through innovation with new ideas that are inputted into various policies for better results. Local wisdom values—cultural values, beliefs, institutional arrangements and customs—will influence behavior. (Fauzi & Iryana, 2017). This local wisdom is manifested in informal norms and conventions.

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III. METHOD

This paper uses a qualitative method with a descriptive approach. The data collection technique is done through in-depth interviews, documentation studies, observations, and literature studies. (Miller & Whicker, 2017) Data analysis is used through the Data Condensation Technique; data obtained, such as field findings notes, documents, empirical data and interview results, will undergo selection, simplification, abstraction and transformation. This means that the data collected will be sorted according to the focus of the research that the author has designed.

IV. DISCUSSION

A. Adaptive Governance Of Bumdes

So, in terms of legality, they are easier to collaborate with third parties, both investors, both from the villa side, especially in South Kuta; many of the villas are easier for the cooperation of our suppliers, there are shops, it is also easier for us to hold events and so on, that is the impact of social activities from Bumdes to the community, there are a lot of them. So, socially, when they have income, they have budgeted every year for social funds. This means that every time there is a religious ceremony activity, they must be obliged to participate in the form of donations of necessities or funds in the form of cash and so on; it is for society.

And in terms of the economy, they here employ almost 25 people, 25 employees, which means that it starts with all local workers. Local workers are in terms of human resources, MSMEs, and the economy; they also collaborate with all the stalls in Kutuh, which have around 200 stalls. 200 stalls, those from Madura stalls, Javanese stalls, Bali stalls, and MSMEs; they make it easier, which means making it easier in terms of capital. They give him goods with a 50% down payment, but the rest can be paid in installments. This means that it makes the economic cycle easier for the circulation of money at stalls in Kutuh Village.

The next one is culture—culture three. They collaborate on every activity they hold, events, and so on, and they collaborate with art organizations in Kutuh Village. When there are birthdays, and so on, the events held by our university offer local dancers. They still empower the dancers in Kutuh village, which is also a tourist education visit; they also use dancers; dance will be opened later. They will use an introduction to Indonesian citizens that this is a they-come dance from Bali.

B. Adaptive Governance Bumda

Customary village organizations, especially the management of customary village funds and assets related to changes in the internal environment, such as innovation and customary village governance. So if this BUMDA works based on pararem, it is like

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village regulations. So, the village regulations are formed by representatives of the Indigenous village community, just like perjury. Now, in the pararem, it is clearly stated from our income, yes, from our total income, which is 100 percent, there is purely a division. So, 60 percent of the distribution goes to customary villages. Now, if it's not our domain, it's because the customary village is the owner, as the owner. Now, if there is still another 40 percent, what is it for? There are points. So, 5 percent for social funds, 5 percent for coaching funds, 10 percent for business development, then 10 percent for BUMD capital. So that's 40 percent of the total, and there's another 10 percent for production services. This production service is 10 percent of the profit given to BUMDA employees. That's right, so it's distributed once a year. So, the 40 percent is clear about the points, and they summarize it in the work plan. Maybe when I was working at the hotel yesterday, every year they make a budget, a budget that's the posts of the funds for anything; the money is certain. For example, this year, I got a profit of 1 billion, which means 40 percent of the profit is 400 million, 10 percent for what, 10 percent, 5 percent, what is 5 percent for. It's already clear where it is, so they make a work plan. They have to bring it because, in this BUMDA, they have a Board of Commissioners, there is a Supervisory Board, and there is a Supervisory Board; now, they have to submit first to these three bodies or the management of this BUMDA.

C. Policy Dynamics

Changes or dynamics of the organizational structure in Bumdes where the village head is the owner, but now the change in the regulation, the highest rule is Musdes, so in the BUMDES rules themselves, there must actually be a leader of each unit, there is a coordinator for each unit, so of the 3 units, there are already 3 coordinators each. So, 3 coordinators. So, the secretary and the treasurer are under the director. So, all these operational activities are supervised by the supervisor as well. So, above me, the village head is the owner. The highest decision is in the village deliberations. So, under the coordinator, there is a staff later. If the supervisors are the usual figures

Collaboration in the management of customary village funds and customary village assets, in particular, increases creativity and innovation in the organization. BUMDA itself has 5 percent for coaching funds. If the employee is not able to be constantly told to work, then yes, they need energy intake for our brains to improve our insights. From the five percent fund, they manage it, so they are required to participate in seminars and job training for certificates every year they have such training. There is an annual agenda that includes general training, and this year, they are taking material to increase the sense of belonging to the company. In improving such discipline every year, the material is different, but not only that, so yes, they send it for seminars; for example, there is a seminar on paragliding, and there is a seminar on lifeguards.

D. Governance Dynamics

Cooperation in the management of Bumdes in overcoming problems; if our first step is a business, Bumdes is also a business and has a business, which means that in this example, they have a grosser store as well. This grossir store is all the goods, they sell all the goods, which means that it is not easy for us to make trust in the supplier. So, the trick at BUMDES is to provide how the supplier depends on us; they buy a lot of goods, and they have a target of a month that they have run out of.

The crowds cooperate with the villa because the village government rules support them. They know that every activity must have security. That's the gap that they take advantage of in the BUMDES. Security services must be mandatory when they offer a service. Village rules support it; it must be in sync with these village rules and the goods they offer. Suppose the garbage transportation was before there, and they're BUMDES. Every village is obliged to their waste; actually, there is a Nawa Cita program from President Jokowi; it must be BUMDES in every village. This means that because there has been a strengthening of waste before, the energy is indeed immediately budgeted in the APBDES. Money flow, expenses, opinions and so on, they take care of everything. Enter BUMDES. Garbage transport unit. The Panca Lispa program is purely from his PKK efforts. So, that can be a legal entity, and they embrace all of this. They are the ones who manage all of that. The purpose of the business is to be a legal entity so that it is easy for us to work together; administration, capital increase and so on are the goals. Collaboration in Bumdes, in particular, increases creativity and innovation in the organization. There is an innovation to punish and reward us for giving him. This means that they will be satisfied with the results of their hard work for a year.

BUMDA has nine business units and three service units. The nine business units in question include Village Credit Institutions (LPD), Pandawa Beach Tourism, Gunung Payung Cultural Park, Timbis Paragliding Special Tourist Attraction, Art and Culture Special Tourism Attraction, Goods and Services Unit, Pirantu Yadnya Unit, Transportation, and Karya Undagi Construction Services. Meanwhile, Educational and Partnership Tourism Services, Regional Security and Order Services, and Insurance and Health Insurance Services are three integrated service units that support village tourism.

Moreover, the study highlights the role of inclusive governance practices, where community participation and transparent decision-making processes are integral to the success of joint projects. Challenges such as resource allocation, capacity building, and regulatory frameworks are also discussed, providing insights into areas for improvement and potential policy implications. In conclusion, the synergy between Bumdes and BUMDA in Kutuh Village serves as a model for other villages seeking to achieve sustainable development through dynamic governance. The study underscores the importance of integrating modern governance practices with traditional institutions to foster holistic and inclusive community growth.

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V. CONCLUSIONS

Based on the analysis that has been carried out, it can be concluded that the synergy built between Bumdes and Bumda is in the field of economic sector development. The difference is that Bumdes is more focused on the economic development of local communities, especially in entrepreneurship. Meanwhile, Bumda carries out economic development based on potential and asset data villages, namely in the tourism sector. So, if analyzed from the perspective of dynamic governance, it has gone well, but several things need to be improved. First, related sustainable economic development needs to be taken into account, for example, agriculture, plantations and marine. Second, the scope of synergy should be increased, especially in the context of adaptive policy. This means that Bumdes and Bumda need to brainstorm ideas to increase their income systematically.

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