

MAPPING IDEA & LITERATURE FORMAT | RESEARCH ARTICLE

Analysis of Internal and External Factors Affecting the Performance of Village-Owned Enterprises (BUMDes): A Case Study of BUMDes Tungkup Jaya in Saka Village, East Kutai Regency

Tarisya Fitriani¹, B. Budiman², Dan Buntu Paranoan³, J. Jumansyah⁴

^{1,2,3,4} Department of Government Studies, Faculty of Social and Political Sciences, Universitas Mulawarman, Samarinda, Indonesia. Email: tarisyafitriani@gmail.com¹

ARTICLE HISTORY

Received: December 19, 2025

Revised: January 16, 2026

Accepted: March 18, 2026

DOI

<https://doi.org/10.52970/grmilf.v6i2.1979>

ABSTRACT

Village-Owned Enterprises (BUMDes) are strategic instruments for strengthening village economic independence and improving community welfare by sustainably managing local potential. This study aims to analyze the performance of BUMDes Tungkup Jaya in Saka Village, Sangkulirang District, East Kutai Regency. It identifies internal and external factors that hinder its operations and formulates recommendations for improving governance. This study uses a descriptive qualitative approach, with data collected through direct observation and in-depth interviews with BUMDes management, village officials, and community members. The results show that BUMDes Tungkup Jaya's performance is not yet optimal, as indicated by the stagnation of its main business unit, ferry transportation services, from 2023 to 2025, even though it previously contributed significantly to the village's economy and social mobility. Internal obstacles include low human resource capacity, weak business planning and strategy, inconsistent capital support, and limited community participation. Meanwhile, external obstacles include a lack of support from the village government and a limited understanding of the regulatory and legal aspects of BUMDes operations. This study concludes that optimizing the performance of BUMDes Tungkup Jaya requires comprehensive management improvements, including increasing human resource capacity, strengthening business planning, ensuring consistent capital allocation, increasing support from the village government, improving regulatory understanding, and active community involvement. These efforts are expected to revive strategic business opportunities and position BUMDes as a sustainable driver for village economic development.

Keywords: BUMDes, Organizational Performance, Internal Factors, External Factors, Saka Village.

I. Introduction

Villages are the lowest level of government in Indonesia's constitutional system, authorized to regulate and manage local affairs in accordance with ancestral rights and customs within the Unitary State of the Republic of Indonesia (NKRI). Law No. 6 of 2014 confirms the village's status as a public legal entity and



enables villages to develop local potential independently through participatory governance aimed at community welfare. One instrument for strengthening village economic independence is the Village-Owned Enterprise (BUMDes). BUMDes is a village economic institution formed to meet local needs and potential, and managed in accordance with the principles of professionalism, kinship, and cooperation. The existence of BUMDes is expected to integrate community economic activities into an organized, productive, and sustainable business system, while also increasing Village Original Income (PADes) and the community's welfare (Madjodjo & Dahlan, 2020).

Law Number 6 of 2014, Article 87 stipulates that BUMDes are established to carry out businesses in the economic and public service sectors to support village development. Nationally, the development of BUMDes shows an upward trend, with 61.19% of all villages in Indonesia having formed a BUMDes by early 2021. However, most BUMDes are still in the beginner category, with a relatively small proportion in the developing and advanced categories, indicating that the main challenges lie in management and business sustainability (KemenDesPDTT, 2022). BUMDes functions as a business entity that manages various sectors of the village economy, such as trade, services, agriculture, and tourism. To perform these functions optimally, BUMDes must be managed professionally, with support from competent human resources, effective management systems, and supportive regulations. Strengthening institutional capacity and governance are key factors in the success of BUMDes in increasing PADes and promoting sustainable village development (Adolph, 2020). In organizations, BUMDes' performance serves as a key indicator of effectiveness in achieving strategic objectives, service quality, and business accountability. Performance can be assessed by how effectively BUMDes provide responsive, transparent, and community-oriented services (Mashudin, 2024). However, studies show that many BUMDes face obstacles, including limited human resources, weak management, and poor business planning (Azhari et al., 2023). Besides internal problems, weak supervision and accountability also hinder BUMDes management. Poor transparency in financial reporting and supervision can cause inefficiency and threaten business sustainability (Akbar et al., 2022). Community involvement as owners, users, and supervisors is key to fostering ownership and institutional sustainability (Brusli Saiman, 2022). Saka Village in Sangkulirang Subdistrict, East Kutai Regency, covers 165 km² with 774 residents, most of whom rely on agriculture. Because of its distance from the subdistrict center, the village established the Tungkup Jaya Village-Owned Enterprise (BUMDes) to improve supply distribution and increase economic self-reliance.

Table 1. Development of BUMDes Business Units in Saka Village

| No | Business Unit | Tahun | Keterangan |
|----|----------------------|-----------|---------------------------|
| 1. | Ferry Transportation | 2019-2022 | Active/Operational |
| | | 2022-2025 | Not in operation/Inactive |

BUMDes Tungkup Jaya developed a flagship business unit, a ferry service, which began operating in 2019. This business unit has proven to provide economic benefits and ease of access for the community until 2022. However, from 2023 to 2025, business operations have stagnated and are no longer running. This condition is caused by various internal factors, such as limited capital, low-quality human resources, and weak business planning and strategy, in the management of BUMDes. In addition, two major external factors have worsened management: first, a lack of support from the village government, and second, a limited understanding of the regulatory and legal aspects of BUMDes' operations. As a result, stagnation persists, demonstrating suboptimal governance of BUMDes Tungkup Jaya, despite the village's strong economic potential and high community demand for these services. Based on these conditions, this study aims to analyze both internal and external factors hindering BUMDes Tungkup Jaya's performance in Saka Village, Sangkulirang District, East Kutai Regency. It is an independent provider of basic services.

II. Literature Review and Hypothesis Development

2.1. Performance of Village-Owned Enterprises (BUMDes)

Performance measures how well an organization achieves its objectives. For Village-Owned Enterprises (BUMDes), performance is measured by their ability to manage village resources efficiently to boost the village economy and improve community welfare. According to, Sinarwati & Prayudi (2021) Performance is an organization's level of achievement in carrying out its duties and responsibilities to achieve its predetermined goals. In the context of Village-Owned Enterprises (BUMDes), performance reflects their ability to manage village resources effectively and efficiently, thereby improving the village economy and community welfare. Dahlan (2020) states that organizational commitment and a strong work culture have a positive and significant effect on improving overall organizational performance. In the context of BUMDes, the commitment of managers and collective work values are important factors because BUMDes operate in a village social environment that emphasizes togetherness and participation. BUMDes performance is measured not only by its ability to generate profits, but also by its management accountability and its contribution to village development. (Bhisma et al., 2025) shows that the quality of BUMDes management and financial reporting has a direct impact on accountability and public trust, ultimately determining the sustainability of BUMDes' performance. Dwiyanto (2012) argues that the performance of public organizations can be measured through indicators of efficiency, effectiveness, fairness, and responsiveness. These indicators are relevant for assessing the performance of BUMDes as village economic institutions that are not only profit-oriented but also focused on public service and community empowerment. This finding is reinforced by Ultari, (2024) , who found that BUMDes' performance is positively associated with increases in the Village Development Index (IDM), particularly in the economic and village dimensions. This shows that BUMDes' performance directly impacts overall village development. The study supports this (No et al., 2024)), which shows that the performance pattern of BUMDes, supported by good business planning and financial management, has a significant effect on increasing Village Original Income (PADes). This finding confirms that BUMDes' performance can be recognized not only at the operational level but also through their contributions to the village's physical capacity and independence. IPerformance can also be measured using input, process, output, outcome, benefit, and impact approaches, as outlined in PreIPerformance can also be measured using the input, process, output, outcome, benefit, and impact approaches outlined in Presidential Instruction No. 7 of 1999.use and management to the long-term effects on rural economic and social growth.

2.2. Village-Owned Enterprises (BUMDes)

Village-Owned Enterprises (BUMDes) are business entities established and owned by villages to manage the village's economic potential and assets and to provide business services to the community. The existence of BUMDes is legally regulated in Law Number 6 of 2014 concerning Villages and reinforced by Government Regulation Number 11 of 2021 concerning Village-Owned Enterprises. The existence of BUMDes as a village legal entity provides a strong foundation for villages to manage their economic potential independently and professionally. This is reinforced by the study Ultari (2024), which states that BUMDes has a strategic role in promoting village development through strengthening local economic capacity and increasing the Village Development Index (IDM). In addition to functioning as economic institutions, BUMDes also play a significant social role in empowering rural communities. (Ekonomi, 2025) found that the existence of BUMDes can create jobs, increase household income, and strengthen village-based community economic networks. BUMDes serves as an instrument to drive the village economy through the optimal and sustainable use of local resources. In addition, BUMDes also acts as a social institution that promotes community empowerment, creates jobs, and increases Village Original Income (PADes). Therefore, BUMDes are expected to create village independence and reduce dependence on central and regional government assistance. The contribution of BUMDes to increasing Village Original Income (PADes) is an important indicator of

management success. shows that effective BUMDes performance patterns and management strategies significantly increase PADes, thereby strengthening villages' physical independence and reducing dependence on central and regional government assistance.

2.3. Internal Factors Affecting BUMDes' Performance

Internal factors are those originating within the BUMDes organization and directly influencing its management performance. These factors determine the extent to which BUMDes can effectively carry out their economic and social functions.

a. Quality of Human Resources (HR)

The quality of human resources is a major factor determining the success of BUMDes management. Human resources with knowledge, skills, managerial abilities, and a strong work ethic can effectively perform the functions of planning, organizing, and implementing business activities (Hasi et al., 2022). Conversely, limited human resource capacity often leads to weak business innovation, low accountability, and suboptimal utilization of village potential. Human resources with aspects that support the organization's future journey are: 1) Recruitment, which means the organization's ability to attract employees who are in line with predetermined plans and objectives. This process is the first step in implementing predetermined plans and objectives. This process is the first step in bringing in or recruiting new personnel with the potential to drive change. 2) Training and education, which aim to create a skilled and expert workforce in their field so that they can face future challenges and provide innovative ideas. 3) Rewards and recognition, which means appreciating and rewarding performance as well as recognizing achievements and contributions that are worthy of supporting economic needs and employee satisfaction (Harahap & Basri, 2025).

b. Business Planning and Strategy

Business planning and strategy is the process of establishing a vision, mission, objectives, and systematic operational steps in facing business opportunities and challenges. Careful planning, supported by analysis of internal and external conditions, will help BUMDes in determining a realistic and sustainable direction for business development (Yasir & Ghazali, 2024). Inconsistencies between planning and implemented strategies can result in underperformance against targets. Sari et al. (2024) emphasizes that business planning that is not supported by good governance and coordination between stakeholders tends to result in unsustainable BUMDes performance. Therefore, business planning and strategies must be accompanied by clear evaluation and monitoring mechanisms. This study reveals that an efficient approach to establishing village-owned enterprises involves leveraging local resources and strategic methods, such as SWOT analysis and cooperation with relevant parties, to improve program effectiveness and maximize the village's potential. For example, SWOT analysis and the Analytical Hierarchy Process have proven effective in formulating strategic development options for village-owned enterprises aligned with the village's local characteristics.lage (Pratiwi et al., 2024).

c. Capital

Capital is a crucial element in determining the sustainability and growth of Village-Owned Enterprises (BUMDes). Sufficient capital enables BUMDes to expand their business, improve service quality, and increase the competitiveness of businesses in the village. If capital is insufficient, BUMDes often operate slowly and make a low contribution to the village economy. Several recent studies indicate that limited capital is one of the main obstacles BUMDes face in achieving their local economic development goals. The availability of adequate capital determines the continuity and development of BUMDes businesses. Sufficient capital

enables BUMDes to expand business units, improve service quality, and strengthen the competitiveness of village businesses (Hafif & Daryanto, 2023). On the other hand, limited capital is often the cause of business stagnation and of BUMDes' low contribution to the village economy. However, capital alone is not enough; management capabilities, community participation, and institutional support are also needed to optimize functions in the village economy. This study emphasizes that finance is a key factor in the progress of business units and its impact on Village Original Income (PADes) and the welfare of the village community. (Lesmana et al., 2025) Moreover, capital constraints often hinder business diversification and innovation in BUMDes, making them more dependent on funds from the village government or village funds and limiting their ability to obtain external financing sources such as formal financial institutions. This condition has an impact on BUMDes' limited ability to survive in the long term and make a meaningful economic contribution. (Peran & Desa, 2025) Sufficient capital can support BUMDes in developing businesses, improving operational efficiency, creating job opportunities, and increasing competitiveness, thereby contributing to sustainable rural economic development. Thus, increasing capital through various sources, including community capital participation, collaboration with third parties, and access to finance from financial institutions, is recommended to improve the performance and contribution of BUMDes (Pertiwi et al., 2018).

d. Community Participation

Community participation includes villagers' involvement in decision-making, the implementation of activities, the utilization of business results, and the evaluation of BUMDes programs. As one of the determining factors for the success of Village-Owned Enterprises (BUMDes), active community involvement not only increases the legitimacy of decisions but also strengthens a sense of ownership and the sustainability of village businesses. A high level of community participation will increase the legitimacy, sense of ownership, and sustainability of BUMDes, thereby having a positive impact on its performance, for example, in the form of increased village income and the effectiveness of joint decision-making (Maryani et al., 2022). Case studies across various villages reveal a broad pattern of participation, ranging from planning, implementation, and accountability to capital contribution phases, all of which contribute to the successful management of BUMDes when implemented inclusively and sustainably (Keuangan et al., 2021). Additionally, research in Bulawan II Village confirms that limited participation space can be a major obstacle to BUMDes development, necessitating a transparent management system and effective communication among the community, managers, and the village government to foster meaningful participation.

2.4. External Factors Affecting BUMDes' Performance

External factors are factors originating outside the BUMDes organization and can be opportunities or obstacles to its management. These factors influence the scope and capacity of BUMDes in carrying out its business activities.

a. Government Support

Support from the village and local governments, whether in the form of policies, assistance, or capital assistance, greatly influences the performance of BUMDes. Strong support will strengthen the institutional and operational capacity of BUMDes, while a lack of support can lead to limited business activities and weak coordination between stakeholders (Riau & Riau, 2024). Conversely, a lack of support can lead to restrictions on business activities, ineffective coordination, and low contributions from BUMDes to Village Original Income (PADes). Research shows that village governments' contributions in providing capital and policy support directly affect BUMDes' ability to develop new businesses and increase local business management capacity (Dema, 2025). Furthermore, empirical studies show that access to research, business capital, and government policies can positively impact village economic development, which is also influenced by the complex

relationship between BUMDes and local economic growth (Gafur et al., 2025), Other studies have also found that insufficient support in operational aspects, including training and technical assistance, can hinder the development of business units and the contribution of BUMDes to PADes (Firnanda et al., 2025)

b. Understanding Regulations and Legality

A poor understanding of regulations and the legality of BUMDes operations can lead to administrative and legal problems. A lack of socialization and support has led to some BUMDes not yet having a strong legal status, thereby limiting their access to cooperation and external funding. This condition ultimately affects the performance and sustainability of BUMDes' businesses (Siti Aisyah et al., 2023). according to (Kusdiyanto & Pahlevy, 2024) According to Government Regulation No. 11 of 2021, a legal recognition framework has been established for BUMDes. However, many BUMDes have not yet fully complied with these provisions and continue to operate without legal status. This causes legal uncertainty and hinders business growth. Normative research also confirms that the legal status of BUMDes as public legal entities is still undergoing dynamic implementation at the village level, particularly regarding the synchronization of Village Regulations (Perdas) with national provisions, Research by (Randi Pafrico R, Muskibah, 2025) states that establishing BUMDes as a legal entity requires the application of two main regulatory frameworks, namely the BUMDes Regulation and the Limited Liability Company Law, thereby increasing professional consumption. This process often requires complex adjustments, especially for regions with limited administrative capacity. Research by (Sisworini, 2025) confirms that, even though government laws and regulations have been updated, intensive support is still needed to strengthen BUMDes' management capacity to understand legal aspects, adjust articles of association, and follow procedures for registering legal entities, thereby improving management quality more consistently. The lack of understanding of these regulations has a direct impact on access to cooperation with external parties and financing, as well as on the performance and sustainability of BUMDes in various rural areas. This condition underscores the importance of increasing awareness of regulations, providing adequate legal assistance, and aligning village regulations with national standards so that BUMDes can function optimally as drivers of rural economic development. This study is based on a conceptual framework that places the performance of Village-Owned Enterprises (BUMDes) as the main variable influenced by internal and external organizational factors. This This framework was developed through a synthesis of the literature on public organization performance and BUMDes management, which emphasizes that BUMDes' success is determined not only by the economic potential of the village but also by the quality of its governance and institutional environment. factors in this study include the quality of human resources, business planning and strategy, capital support, and the level of community participation in the village. These four factors directly determine the effectiveness of business management, operational sustainability, and BUMDes' ability to provide economic and social benefits to the village community. Competent human resources, sound business planning, adequate capital availability, and active community involvement are prerequisites for sustainable improvement in BUMDes' performance. Meanwhile, external factors include support from the village government and understanding of the regulations and legality of BUMDes operations. Policy support, assistance, and budget allocation from the village government are crucial in determining the capacity of BUMDes to carry out its economic and social functions. On the other hand, an adequate understanding of regulations and legal aspects provides legal certainty, strengthens institutional legitimacy, and creates opportunities for cooperation with external parties. Based on this conceptual framework, this study analyzes in depth how the interaction between internal and external factors affects the performance of BUMDes Tungkup Jaya in Saka Village, Sangkulirang District, East Kutai Regency. This analysis is expected to provide a comprehensive picture of the causes of stagnation in BUMDes' business units and to formulate recommendations for governance improvements that are relevant and applicable to strengthen BUMDes' performance at the village level.

III. Research Method

This study uses a qualitative descriptive approach to analyze the factors influencing the performance of Village-Owned Enterprises (BUMDes). This approach was chosen because it can objectively and contextually describe phenomena based on empirical field conditions (Leksono et al., 2013). The research was conducted at BUMDes Tungkap Jaya, Saka Village, Sangkulirang District, East Kutai Regency, and used an inductive approach in the conclusion. The research data consists of primary and secondary data. Primary data was obtained through in-depth interviews and observations of key information, namely Mr. MS. Wiyono (former Head of BUMDes 2019), Mr. Nanang Amrullah (Head of BUMDes 2024), Mr. Achyanur (Village Head), Mr. Tabyani (BPD), Mrs. Mariya Ulfah (Secretary of Saka Village), and Muhammad Syahrul as a representative of the community. Secondary data was obtained from BUMDes documents, village regulations, and relevant literature. Data collection techniques: Interviews, observation, and documentation. Data validity was ensured through source and method triangulation, namely, comparing information across sources and data-collection methods. Analysis was carried out using the interactive Miles and Huberman method, which included data reduction, data presentation, and conclusion drawing and verification. The sampling was conducted to obtain information from individuals with relevant knowledge and direct involvement in the management of BUMDes. The research participants included the head of BUMDes, village government officials, operational staff, and community members who actively use BUMDes services.

IV. Result and Discussion

Villages are the smallest governmental entities that have strategic authority to regulate and manage community interests in accordance with local characteristics. Law Number 6 of 2014 concerning Villages affirms villages as subjects of development, requiring them to manage resources effectively, efficiently, and sustainably. Within this framework, Village-Owned Enterprises (BUMDes) serve as institutional instruments of the village economy aimed at improving community welfare, and Village Original Income (PADes) as stipulated in Article 87 of the Village Law and reinforced by Government Regulation No. 11 of 2021. The performance of BUMDes is an important indicator of the success of rural economic development. This performance is measured not only in financial terms but also in service quality, social impact, and accountability in the management of village-owned enterprises (Sinarwati & Prayudi, 2021). The performance of BUMDes is measured not only by profit but also by service quality, business management effectiveness, contributions to community welfare, and social impact. This view aligns with the concept of public organization performance, which emphasizes balancing efficiency, effectiveness, fairness, and responsiveness, as stated by Dwiyanto (2012).

Empirically, BUMDes Tungkap Jaya operates a ferry transportation unit that is vital to the mobility of the Saka Village community. During the 2019–2022 period, this business unit operated relatively well and contributed to the economy through a revenue allocation mechanism for village development. The ferry's operational condition supported this initial success during that period. Field documentation shows that the ferry was in good condition and actively used as a means of transportation for the people of Saka Village, as shown in Figure 1. On the other hand, external factors such as a lack of support from the village government, a weak understanding of regulations and legal aspects of BUMDes, and low community participation have worsened the performance of BUMDes Tungkap Jaya. In fact, community participation is a key element in the success and sustainability of BUMDes, because they are essentially jointly owned business entities that must be managed collectively. The lack of community involvement in planning, implementation, and monitoring processes has led to a low sense of belonging to BUMDes, thereby limiting social support and community innovation, as (Brusli Saiman, 2022). These conditions indicate that the performance of BUMDes Tungkap Jaya has not fully met the performance indicators for public organizations, particularly in effectiveness, efficiency, responsiveness, and accountability. Weak oversight and transparency systems in financial management also increase the potential for inefficiency and misuse, as revealed by (Akbar et al., 2022). the Ministry of Village

Development of Disadvantaged Regions and Transmigration. In fact, strengthening governance and accountability are key prerequisites for BUMDes to perform their functions optimally and sustainably.



Figure 1. Condition of the Tungkap Jaya Village-Owned Enterprise Ferry during the Active Operational Phase (2019–2022)

Thus, the findings of this study confirm that although BUMDes Tungkap Jaya has great strategic potential, especially through its ferry transportation business unit, this potential has not been optimally realized due to weak organizational performance. Therefore, comprehensive improvement efforts are needed to increase human resource capacity, strengthen the village government's commitment and support, improve the business planning and management system, and increase village and community participation. These steps are expected to optimize the performance of BUMDes Tungkap Jaya, enabling it to function effectively as a driver of the village economy and to provide tangible benefits that improve the welfare of the village community, independently and sustainably. Research on the performance of Village-Owned Enterprises (BUMDes) has been conducted extensively, highlighting various internal and institutional factors. (Risalah & Eriswanto, 2023) found that low management capacity is the main cause of suboptimal BUMDes performance, so that improving competence through training and socialization is a key factor in improving performance. Similar findings were reported by (Hidayah, 2022) who showed that BUMDes have not provided significant economic benefits or impacts for rural communities. Conversely, (Indria, 2021) shows that BUMDes with good governance, clear planning, and strong accountability can achieve sustainable performance. However, most previous studies have not specifically discussed the dynamics of BUMDes performance sustainability in villages that are highly dependent on a single strategic business unit. Therefore, this study focuses on analyzing the performance of BUMDes Tungkap Jaya in Saka Village, specifically the ferry transportation business unit, which experienced success in the 2019–2022 period and stagnation in the 2023–2025 period.

4.1. Internal Factors

a. Quality of Human Resources (HR) in the Management of BUMDes Tungkap Jaya in Saka Village

The quality of human resources is a key determinant of the success of BUMDes management. This quality includes knowledge, technical skills, managerial abilities, and leadership (Hasi et al., 2022). This finding

aligns with the study (Nuur et al., 2025) which shows that the digitization of bookkeeping in BUMDes requires strong technical capabilities among human resources to improve the quality of village enterprise financial management. In addition, the results of the study (Pita et al., 2026) confirm that the quality of human resources, including work discipline, balanced workloads, and effective reward systems, is a crucial factors that affect organizational performance and must be considered in efforts to strengthen human resource capacity in BUMDes. The study's results show that the managers of BUMDes Tungkap Jaya do not yet have a comprehensive understanding of business governance, business planning, and financial management. The impact is evident in weak strategic decision-making and an inability to anticipate operational risks. Human resource limitations are also reflected in the lack of technical personnel for ferry maintenance, which has directly contributed to the cessation of operations since 2023. These findings reinforce the view that human resource readiness is a prerequisite for the sustainability of village enterprises. Improving the quality of human resources (HR) is a top priority in efforts to optimize BUMDes management. BUMDes managers need structured, continuous training in business management, business planning, financial management, and business asset maintenance. In addition, it is necessary to appoint or recruit technical personnel who are competent in the operational and maintenance aspects of ferry boats to ensure the sustainability of ferry services. Strengthening human resource capacity is expected to improve decision-making quality and reduce the risk of future business stagnation.

b. Planning and Strategy in the Management of Tungkap Jaya Village-Owned Enterprise, Saka Village

Strategic planning serves as a long-term guide for organizations in achieving their goals effectively and efficiently (Yasir & Ghazali, 2024). Community involvement and cross-stakeholder collaboration have been proven to strengthen village business development strategies. (Latief et al., 2026) found that a participatory approach in designing village business strategies, including discussions and potential mapping, encourages the formulation of strategies that are tailored to local needs and sustainable. This study found that BUMDes Tungkap Jaya does not yet have a clear business plan and development strategy document. The absence of potential and risk analysis has led to reactive, short-term business management. The implementation of asset maintenance strategies, sustainable financial management, and human resource development did not follow the initial success of the ferry business unit. As a result, the business stagnated due to technical and financial constraints. The lack of community involvement in the planning process also resulted in low social support for BUMDes. Strengthening business planning and management strategies requires preparing clear, realistic business plans. The plan must include an analysis of business potential, risk management, asset maintenance strategies, and medium- and long-term business development schemes. The involvement of the community and the village government in the planning process is important so that the strategies developed align with local needs and receive strong social support.

c. Capital Support in the Management of Tungkap Jaya Village-Owned Enterprise in Saka Village

Capital is an important pillar in the development of BUMDes (Kurniasi & Anggraini, 2024), Capital contributions from the village government and continuous government support are highly influential in facilitating BUMDes' development. The initial capital of BUMDes usually comes from the central government, provincial government, regency government, and village government, as well as from the village community as shareholders. In this case, (Haffif & Daryanto, 2023) menekankan bahwa ketersediaan modal yang cukup berperan sebagai pilar utama agar emphasize that sufficient capital is a major pillar for BUMDes to run and develop their businesses effectively and sustainably. The study's results show that the allocation of village funds to BUMDes Tungkap Jaya is inconsistent. Capital constraints affect BUMDes' ability to maintain assets and operate leading business units. The weak diversification of external capital sources, such as the lack of partnerships with third-party investors and formal microfinance institutions exacerbates this condition. External capital support through strategic partnerships or financing from financial institutions (e.g.,

microfinance institutions or BUMDesa that operate savings and loan units) can serve as an alternative source of capital outside village fund allocations. Other studies show that innovative financing strategies and strategic partnerships can expand BUMDes' capital base and alleviate their reliance on village funds alone (Pujiastuti et al., 2021)

In addition, weak diversification of capital sources and minimal partnerships with third parties limit business development opportunities. These findings emphasize the importance of long-term capital strategies to ensure the sustainability of BUMDes. However, in the following period, limited capital support and poor asset maintenance led to deterioration in the ferry's physical condition. Field documentation shows damage to the ferry that has caused the suspension of ferry operations since 2023, as shown in Figure 2



Figure 2. Condition of the Tungkap Jaya BUMDes Ferry, which is Damaged and Out of Service (2023–2025)

Strengthening capital and funding sustainability is a strategic solution to overcome capital constraints that have hampered BUMDes operations. The Saka Village Government needs to ensure consistent allocation of village funds for BUMDes, especially for the maintenance and repair of key assets such as ferry boats. In addition, BUMDes are encouraged to diversify their capital sources through cooperation with third parties, business partnerships, and alternative funding schemes that comply with regulations. This long-term capital strategy is important to ensure the sustainability of leading business units.

d. Community Participation in the Management of BUMDes Tungkap Jaya, Saka Village

Community participation is a key element in the success of BUMDes (Maryani et al., 2022). Research by Mokoagow, Maweikere, dan Sendow (2020) found that the level of community participation in the management of BUMDes in Bulawan II Village was still relatively low, with only about 20% of the community actively involved, while the rest did not participate significantly in the planning, decision-making, or evaluation processes. This minimal participation is due to a lack of information and socialization from BUMDes managers to the local community (Mokoagow et al., 2020). (Sintani et al., 2025) In the case of BUMDes Bina Sejahtera, it was found that community participation in various aspects of management, such as activity implementation and evaluation, remained uneven, mainly due to limited effective participatory forums and low community attendance at evaluation meetings. This study found that the community of Saka Village tends to act as service users rather than active participants in the planning, supervision, and evaluation of BUMDes. This low level of participation is related to the lack of transparency and communication from BUMDes managers. The lack of a sense of belonging weakens collective support when BUMDes face operational problems. This accelerates the stagnation of the ferry business unit in the 2023–2025 period. Increased community participation needs to be achieved through transparent management and intensive

communication between BUMDes managers and the village community. Community involvement in the planning, supervision, and evaluation of BUMDes can increase the sense of belonging and strengthen collective support for the sustainability of village businesses. Active community participation can also encourage innovation and the development of new businesses that meet local needs.

e. External Factors

1) Lack of Support from the Government, Village-Owned Enterprises (BUMDes), Tungkap Jaya Saka Village

Village government support is a crucial external factor in the success of BUMDes (Riau & Riau, 2024). The village government acts as both the owner and supervisor of BUMDes, so that policy consistency, funding support, and institutional assistance are key prerequisites for maintaining business continuity. Research (Fridstrøm, 2021) confirms that weak institutional capacity and low commitment from the village government can hamper the performance and sustainability of BUMDes. The study's results show that policy support, funding, and assistance from the Saka Village government for BUMDes Tungkap Jaya have been inconsistent. Village officials have also not been optimal in carrying out their supervisory and oversight functions. This condition directly impacts the sustainability of the ferry business unit, which requires policy support and a sustainable budget. These findings align with previous studies that emphasize the importance of village government commitment in maintaining the sustainability of BUMDes. Strengthening village government support is a strategic step to improve the sustainability of BUMDes Tungkap Jaya. This finding aligns with research indicating (Felix et al., 2022) that the active involvement of the village government, through consistent policies and institutional strengthening, significantly influences the operational success of BUMDes. Without strong institutional support, BUMDes tend to experience business stagnation and difficulties in developing business units sustainably. Therefore, village governments need to carry out their guidance and supervisory functions more optimally through consistent policies, managerial assistance, and sustainable budget allocation. The commitment of village governments is not only reflected in funding but also in policy support that provides operational certainty for BUMDes. Strengthening the role of village governments is expected to create an institutional environment conducive to the development and sustainability of BUMDes businesses.

2) Low Understanding of Regulations and Legal Permits Related to the Operations of the Tungkap Jaya Village-Owned Enterprise (BUMDes) in Saka Village

Understanding regulations and legality is a prerequisite for the operational legitimacy of BUMDes (Siti Aisyah et al., 2023). The limited understanding of village officials regarding legal matters, particularly those related to establishment procedures, legal entity forms, and BUMDes governance, has the potential to cause village business units to operate without a strong legal basis and to be vulnerable to administrative and legal problems (Abdalla et al., 2023). (Agung et al., 2020). The lack of public dissemination of regulations also contributes to low public participation and trust in BUMDes. Increasing understanding of BUMDes regulations and legal aspects is an important solution to strengthen legitimacy and public trust (Hochuli et al., 2021). The village government needs to systematically disseminate information about BUMDes regulations to managers and the community, especially regarding governance, rights and obligations, and BUMDes accountability mechanisms. Clarity of regulations and legality is expected to prevent legal problems, increase management transparency, and encourage active community participation in supporting the sustainable operation of BUMDes.

This study contributes to the literature on rural development and village governance by showing that the sustainability of BUMDes is largely determined by the integration of internal and external factors, particularly in villages that are highly dependent on a single strategic business unit. The practical implications

include strengthening human resource capacity, participatory strategic planning, consistent capital policies, and increased understanding of regulations for village officials. The implications for further research include the need for comparative studies across BUMDs in areas with different geographical characteristics, as well as the use of quantitative methods to measure the influence of each factor on BUMD performance. The limitations of this study lie in its qualitative approach and the limited number of informants, which limit the generalizability of the findings. However, these findings provide an in-depth contextual picture of the dynamics of BUMDes management in Saka Village.

V. Conclusion

Findings regarding the performance of the Tungkup Jaya Village-Owned Enterprise (BUMDes) located in Saka Village, Sangkulirang District, East Kutai Regency, concluded that the BUMDes has not been operating optimally despite its significant and strategic economic potential, particularly through its leading business unit in ferry transportation. Operational stagnation from 2023 to 2025 indicates fundamental problems in BUMDes' management, driven by both internal and external factors. From an internal perspective, the low quality of human resources (HR) in management is a major obstacle to implementing professional BUMDes management. Managers do not yet have a sufficient understanding of business management, business planning, fund management, and business asset maintenance, which negatively impacts the development of weak BUMDes' planning and strategies. In addition, uncertainty and inconsistency in capital support from village funds have left BUMDes with inadequate working capital for operations and business activities. Low community involvement in the planning, implementation, and supervision of BUMDes also contributes to a lack of ownership and social support for sustainable village businesses.

On the other hand, in terms of external factors, the lack of support from the village government in the form of policies, assistance, and sustainable funding allocation has worsened the performance of BUMDes Tungkup Jaya. The lack of understanding of village officials and BUMDes managers regarding the regulations and permits governing BUMDes operations has resulted in weak institutional legitimacy and legal certainty in running the business. This limits the BUMDes' ability to access external funds, collaborate with third parties, and develop business units sustainably. The lack of socialization of BUMDes regulations within the community also contributes to low public participation and trust in BUMDes. The results of this study confirm that the success of BUMDes does not only depend on the economic potential of the village, but is also greatly influenced by the quality of management, human resource capacity, village government support, legal capacity, and active community participation. Therefore, to optimize the performance of BUMDes Tungkup Jaya, comprehensive and sustainable improvement measures are needed, including increasing human resource capacity through training and mentoring, strengthening business planning and strategy, ensuring capital allocation, intensifying support from the village government, and increasing understanding of BUMDes regulations and legality. With these steps, it is hoped that BUMDes Tungkup Jaya can resume operations of its strategic business units, effectively serve as a driver of the village economy, and provide tangible benefits that sustainably improve the welfare and independence of the Saka village community.

References

- Abdalla, S., Amankwah-amoah, J., & Badewi, A. (2023). Sharing-Economy Ecosystem : A Comprehensive Review and Future Research Directions.
- Adolph, R. (2020). Peran dan Fungsi BUMDes dalam Pembangunan perdesaan. 2010, 1–23.
- Agung, W. I. G., Djumardin, & Pria, S. L. W. (2020). Penyuluhan Hukum Tentang BUMDes di Masyarakat Desa Duman Kecamatan Lingsar Kabupaten Lombok Barat. *Indonesian Journal of Education and Community Services*, 1(2), 60. <https://journal.publication-center.com/index.php/ijecs/article/view/1287/231>
- Akbar, A. M., Sasanti, E. E., & Suryantara, A. B. (2022). Analisis Akuntabilitas Dan Transparansi Pengelolaan Bumdes Bina Sejahtera Kembang Kerang, Kabupaten Lombok Timur. *Jurnal Riset Mahasiswa Akuntansi*, 2(4), 716–725. <https://doi.org/10.29303/risma.v2i4.310>

- Azhari, A., Mustofa, M., Meisari, E. D., & Setia Anggarista, E. T. (2023). Pengembangan Badan Usaha Milik Desa Melalui Peningkatan Kualitas Sumber Daya Manusia. *Jurnal Ilmiah Ekonomi Global Masa Kini*, 14(2), 82–92. <https://doi.org/10.36982/jiegm.v14i2.3392>
- Bhisma, I. K., Wasuka, P., & Sinarwati, N. K. (2025). Analisis Kualitas Laporan Keuangan BUMDes (Studi pada BUMDes Artha Krama Mandiri Antiga Kelod). 15(1), 47–57.
- Brusli Saiman, S. (2022). Efektivitas Pengelolaan Badan Usaha Milik Desa Untuk Meningkatkan Pendapatan Asli Desa Gunung Kecamatan Kota Komba. *Jurnal Administrasi*, vol 1(4), 749–760.
- Dahlan, F. (2020). Pengaruh komitmen organisasi dan budaya organisasi terhadap kinerja Organisasi Perangkat Daerah Kota Tidore Kepulauan. *Indonesia Accounting Journal*, 2(2), 196. <https://doi.org/10.32400/iaj.31212>
- Dema, H. (2025). Analisis Pengembangan Badan Usaha Milik Desa (Studi Pada BUMDes Kanie Kabupaten Sidenreng Rappang) Universitas Muhammadiyah Sidenreng Rappang. 7, 173–189.
- Ekonomi, S. (2025). *Jurnal Dinamika*. 26 (December).
- Felix, N. B., Celebrini, P., Campos, D. O., Paz, I., Esther, M., & Marques, S. (2022). Geoprocessing Applied to the Assessment of Carbon Storage and Sequestration in a Brazilian Medium-Sized City.
- Firnanda, T., Nabila, S., Putranti, J., Puteri, N., Dharu, R. D., Kamilah, N. R., Sagala, B., Yudhistira, P., Ardhiarisca, O., Jember, P. N., Jember, K., Tempurejo, E., Tempurejo, K., & Jember, K. (2025). Partisipasi pemerintah desa dalam pengelolaan bumdes empatlima sebagai upaya peningkatan pendapatan asli desa. 3(2), 156–170.
- Fridstrøm, L. (2021). The Norwegian Vehicle Electrification Policy and Its Implicit Carbon Price.
- Gafur, A., Manajemen, M., Pascasarjana, S., & Kuning, U. L. (2025). Pengaruh Peran Badan Usaha Milik Desa (Bumdes) Pendahuluan. 2(2), 413–443.
- Hafif, N., & Daryanto, D. (2023). Peran BUMDes Terhadap Pendapatan Petani Di Desa Karangsono Kecamatan Dander Kabupaten Bojonegoro. *Agri-Sosioekonomi*, 19(3), 1451–1460. <https://doi.org/10.35791/agrsosek.v19i3.50125>
- Harahap, A. S., & Basri, T. H. (2025). Faktor Keberhasilan Pengelolaan Badan Usaha Milik Desa (BUMDES) dalam Memajukan Organisasi (Studi Literatur). 9, 5133–5140.
- Hasi, L., Razak, M., & Khalik, A. (2022). Pengaruh kemampuan Manajerial, Kualitas Sumberdaya Manusia dan Sarana Prasarana terhadap Kinerja Pengelolaan BUMDes Se Kecamatan Tanete Riaja Kabupaten Barru. *Suparyanto Dan Rosad* (2015, 5(3), 725–739. <https://ejournal.nobel.ac.id/index.php/JMMNI/issue/view/98>
- Hidayah, R. N. (2022). Kinerja Badan Usaha Milik Desa (BUMDES) Lalambate Tarantajo D1 Desa Lampenai Kecamatan Wotu Kabupaten Luwu Timur. *Skripsi*.
- Hochuli, A., Hochuli, J., & Schmid, D. (2021). Competitiveness of diversification strategies in agricultural dairy farms : Empirical findings for rural regions in Switzerland. *Journal of Rural Studies*, 82, 98–106. <https://doi.org/10.1016/j.jrurstud.2021.01.021>
- Indria, H. (2021). Analisis Kinerja Badan Usaha Milik Desa (BUMDes) Mitra Sehati Desa Tandan Sari Kecamatan Tapung Hilir Kabupaten Kapar. *Skripsi*.
- KemenDesPDDT. (2022). Keputusan Kementerian Desa No 145 Tahun 2022 Tentang Formula Peningkatan Badan Usaha Milik Desa/Badan Usaha Milik Desa Bersama. 1–11. <https://peraturan.bpk.go.id/Home/Details/240994/permendesa-pdtt-no-5-tahun-2022>
- Kuangan, P., Stan, N., & Selatan, T. (2021). *Jurnal ilmiah publika*. 158–171.
- Kurniasi, I., & Anggraini, Y. (2024). Faktor Pendukung Dan Penghambat Badan Usaha Milik Desa (BUMDes) Dalam Meningkatkan Pendapatan Asli Desa (PADes). x, 345–352.
- Kusdiyanto, M. A., & Pahlevy, R. R. (2024). Analisis Yuridis Pendirian BUMDes Pasca Undang-Undang Cipta Kerja. *Indonesian Journal of Law and Justice*, 2(1), 21. <https://doi.org/10.47134/ijlj.v2i1.2997>
- Latief, F., Firman, A., Ilham, B. U., Asniwati, A., & Suriyanto, S. (2026). Strengthening Village Cooperatives and MSMEs through the Thematic Entrepreneurship Seminar in Baji Pamai. 6, 1–6.
- Leksono, S., Kualitatif, P., Ekonomi, I., Metode, M., Persada, R., Bab, J., & Eskriptif, A. M. E. D. (2013). Pendekatan deskriptif.
- Lesmana, B., Gunawan, I., & Sari, R. (2025). Success Factors of Village-Owned Enterprises (Bumdes) in Indonesia. 4(2), 359–379.
- Madjodjo, F., & Dahlan, F. (2020). Analisis kinerja Badan Usaha Milik Desa dalam pengelolaan anggaran untuk meningkatkan pengolahan potensi desa di Desa Akedotilou. *Indonesia Accounting Journal*, 2(2), 187. <https://doi.org/10.32400/iaj.31055>
- Maryani, Y., Gitosaputro, S., & Nikmatullah, D. (2022). Partisipasi Masyarakat dalam Pengelolaan Badan Usaha Milik Pekon Parda Haga Kecamatan Lemong Kabupaten Pesisir Barat. *Suluh Pembangunan : Journal*

- of Extension and Development, 4(1), 41–51. <https://doi.org/10.23960/jsp.vol4.no1.2022.100>
- Mokoagow, H., Maweikere, A. M., Sendow, M. M., Sosial, J., Pertanian, E., Pertanian, F., & Sam, U. (2020). No Title. 2(April), 45–54.
- No, V., Evianti, E., Irawan, D., Amalia, F. A., Wibawani, S., & Astuti, W. (2024). RATIO : Reviu Akuntansi Kontemporer Indonesia Peran dan Strategi BUMDes Dalam Upaya Meningkatkan Pendapatan Asli Desa. 5(2). <https://doi.org/10.30595/ratio.v5i2.20101>
- Nuur, M., Thoha, F., & Ismiati, M. (2025). Implementation of Digitalization of Bookkeeping Based on Accounting Computerization : Case Study From Village-Owned Enterprise (BUMDES). 5, 312–319.
- Peran, D. A. N., & Desa, P. (2025). Optimalisasi Bumdes Di Indonesia Melalui Strategi Digitalisasi , Penguatan Modal Sosial , Tata Kelola. 5(1), 34–45.
- Pertiwi, S., Sandi, H., & Desa, U. M. (2018). Pengelolaan Modal Usaha Bagi Badan Usaha Milik Desa (Bumdes) Buana Mekar Desa Mekar Buana Kecamatan Tegal Waru. 3, 1–5.
- Pita, N., Masruddin, D., Saharuddin, S., & Hasbi, A. R. (2026). The Effect of Work Discipline and Workload on Employee Performance. 6, 59–72.
- Pratiwi, D. E., Setiawan, B., Gutama, W. A., Priminingtyas, D. N., & Irwandi, P. (2024). Penerapan Analisis SWOT dan Analytical Network Process dalam Strategi Pengembangan BUMDes di Jawa Timur SWOT Analysis Application and Analytical Network Process in BUMDes Development Strategy in East Java. 20(01), 165–177.
- Pujiastuti, E. E., Nugroho, S. P., & Soeprapto, A. (2021). Village Owned Enterprises (Bumdes) and Venture Capital Financing Strategy. 1(3), 31–39.
- Randi Pafrico R, Muskibah, Li. N. H. (2025). Volume 6 Nomor 2. 6, 245–264. <https://doi.org/10.22437/zaaken.v6i2.43123>
- Riau, U. I., & Riau, U. I. (2024). Evaluasi Badan Usaha Milik Desa (BUMDES) Di Desa Muara Dilam Kecamatan Kunto Darussalam Kabupaten Rokan Hulu Fevi Fitriani 1 , Irwan Gesmi 2 1. 432–441.
- Risalah, A. D., & Eriswanto, E. (2023). Analisis Kinerja Badan Usaha Milik Desa (Bumdes) Mitra Warga Pada Desa Pasirhalang Kecamatan Sukaraja Kabupaten Sukabumi. Jurnal Akuntansi STIE Muhammadiyah Palopo, 9(2), 169. <https://doi.org/10.35906/jurakun.v9i2.1565>
- Sari, N. P., Muhammad, H., & Imron, M. (2024). Exploring Integrated Governance to Stimulate Sustainable Performance of Village-Owned Enterprises. 07(02), 133–150.
- Sinarwati, N. K., & Prayudi, M. A. (2021). Kinerja Badan Usaha Milik Desa Dan Kontribusinya Bagi Pendapatan Asli Desa. Jurnal Ilmu Sosial Dan Humaniora, 10(3), 505. <https://doi.org/10.23887/jish-undiksha.v10i3.37931>
- Sintani, P., Putra, A., Science, G., Program, S., & Sciences, P. (2025). Participation In The Management Of The Village- Owned Enterprise Entity (Bumdes) Bina Sejahtera Of. 1(3), 132–142.
- Sisworini, F. (2025). Badan Usaha Milik Desa sebagai Badan Hukum. 4(April), 1–24.
- Siti Aisyah, Novita Sari, & Sumriyah Sumriyah. (2023). Kedudukan Badan Usaha Milik Desa yang Tidak di Daftarkan Badan Hukum. Birokrasi: Jurnal Ilmu Hukum Dan Tata Negara, 2(1), 257–265. <https://doi.org/10.55606/birokrasi.v2i1.909>
- Ultari, T. (2024). The Role of Village-Owned Enterprises (BUMDes) in Village Development : Empirical Evidence from Villages in Indonesia. VIII(2), 256–280.
- Yasir, A., & Ghazali, F. (2024). Strategi Pengembangan Badan Usaha Milik Desa (Bumdes) Sukowono. Gudang Jurnal Pengabdian Masyarakat, 2(1), 11–14.