

IMPROVING ECONOMY AND COMPETITIVENESS OF BUMDes MAKMUR ANUGERAH LESTARI THROUGH SIMPLE ACOUNTANCY (EXCEL APPLICATION): CASE STUDY OF SUKAMAKMUR VILLAGE, CIOMAS SUB DISTRICTS- BOGOR DISTRICTS

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Abstract

BUMDes Makmur Anugerah Lestari is located in Sukamakmur Village, Ciomas District, Bogor Regency. BUMDes Makmur Anugerah Lestari is currently still facing problems such as; first, the manager's lack of understanding in the separation of duties and authorities in each operational activity at BUMDes. Second, the managers are not ready to carry out the process of good organizational governance such as the preparation of accountability reports, especially financial reports where the management of transaction document archiving has not been carried out optimally, reporting users who have not been on target, and the lack of competence of human resources who handle the accounting process at BUMDes. One solution that can be done is to educate interested parties in the BUMDes organizational governance process, such as conducting training and mentoring. The target output of community service (PkM) at BUMDes Makmur Anugerah Lestari is the realization of good governance in the BUMDes organization with competent managers where they are able to compile financial reports.

Keywords: BUMDes, Governance, Financial Statements

1. BACKGROUND

Until now, there are 334 BUMDes that have been formed in Bogor Regency, and there are still 82 BUMDes that have not been formed. Of the number of BUMDes that have been formed, 321 are in the basic stage category; 11 stages of developing; and 2 advanced stages. At this time there are no BUMDes that are included in the independent category. In general, BUMDes businesses in the Bogor Regency area include; Clean water services, RO drinking water refill depot services, and PPOB services, which include electricity payments, motorized taxes, purchase of electricity tokens, pulses, data packages, and others.

Some villages in the Bogor Regency area do not yet have BUMDes, this is due to several problems such as; difficulty finding

skilled human resources (HR); villages still prioritize infrastructure development; there is a transition period for the leadership of the Village Head (there were 273 village head elections in 2019); and promising business potential has not been found.

Meanwhile, BUMDes in the Bogor Regency area are also still facing several problems such as; lack of competent human resources (HR); the budget allocated from village's income and expenditure budget (APB Desa) is not maximal; and determining the type of business to be carried out without going through a business feasibility test.

In the Bogor district, there is a village called Sukamakmur village. This village is located in Ciomas sub-district, Bogor, West Java, Indonesia. The government area of

Sukamakmur Village consists of 7 RWs and 36 RTs. Based on the 2013 Sukamakmur Village Head's Accountability Report, the total population of Sukamakmur Village is 10,221, consisting of 2,567 household heads including 5,068 men and 4,853 women, with permanent voting rights as many as 7,504 people. Quantitatively, most of the people of Sukamakmur Village are Muslims with a total of 9,898 people, the rest are Catholics as many as 15 people and Protestants 8 people. If we look at the ratio of the population to the existing area, Sukamakmur

is a sparsely populated area (less densely populated).

Sukamakmur Village has promising natural resources, one of which is a spring. With so many springs, the people of Sukamakmur Village have the opportunity to open a business in the form of refill water or bottled water. In addition, residents of Sukamakmur Village can also take advantage of the current rapid technological developments to be used as profitable business opportunities, such as opening an online payment service business.



Fig 1. Type of business of BUMDes Makmur Anugerah Lestari

Like other villages in the Bogor Regency area, Sukamakmur village also has a Village-Owned Enterprise (BUMDes), namely BUMDes Makmur Anugerah Lestari which was founded on December 8, 2017. The background for the establishment of this BUMDes began with the meeting of community leaders in Sukamakmur Village, Village deliberation events (MUSDES). These figures see that the village's financial condition which comes from Village Original Income (PAD) is felt to be still very minimal. However, they see that this village has very good economic potential, so considering this the village leaders then made the agreement to form BUMDes which are expected to become a forum for asset management, service provision, and other businesses that can help improve the economy of the Village community of Sukamakmur.

Based on field observations and preliminary interviews with the community, BUMDes administrators and Village officials in Sukamakmur Village, the Community Service Team (PkM) can

identify several problems currently being faced by BUMDes of Sukamakmur Village, such as: first, a lack of understanding of the separation of duties and authorities in each operational activities of BUMDes Makmur Anugerah Lestari. This condition is confirmed by the study of Wibisono and Panimbing (2020) that the management knowledge of BUMDes organizations is still low. The Lumintang and Waani study (2019) reinforces previous studies that the management of BUMDes organizations has not followed the rules for managing BUMDes according to the regulation of the Minister of Villages and Disadvantaged Areas No. 4/2015. This was then suggested by Winarsi and Moechtar (2020) for the need for good governance in the management of BUMDes.

Second, there is a lack of understanding of BUMDes managers regarding basic accounting concepts, accounting cycles, account charts, types of transactions, computer applications and preparation of financial documents in accordance with BUMDes's business requirements. The

identification of this problem has been confirmed by the study of Widiastuti et al. (2019) which emphasizes that most BUMDes have not prepared governance documents, especially financial accountability documents, and the level of applicability of BUMDes's governance in Indonesia is still relatively low (Amir et al., 2020). This in turn causes the accountability and transparency of BUMDes' financial reports to be questioned (Ana and Ga, 2021). Muhdiyanto et al. (2018) have reviewed this before, by optimizing the usability function of MS software Excel to improve BUMDes financial governance. Likewise, a study of a web-based accounting financial management system has been carried out by Erlina and

This method of implementing PkM uses several approaches. First, conducting a literature study. This literature study was conducted by the PkM Team to find out the general problems faced by BUMDes. This literature study was also carried out to obtain initial input regarding the handling steps that had been carried out by previous researchers. Second, conducting observation. The PkM Team makes observations to BUMDes to see firsthand the objective conditions of the BUMDes which include the condition of the business office, the business being run, the community environment and access to infrastructure.

Third, interview. The PkM Team identifies problems with the aim of knowing the problems faced by BUMDes. To obtain this information, the PkM team conducted in-depth interviews with the management and employees of BUMDes Makmur Anugerah Lestari. The results of the identification of this problem, the PkM Team found the main problems faced by BUMDes Makmur Anugerah Lestari, namely the lack of understanding of the management regarding the separation of duties and authorities in every operational activity of the organization; and lack of understanding of BUMDes managers regarding basic accounting concepts, accounting cycles, account charts, types of transactions, computer applications and preparation of financial documents in accordance with BUMDes business requirements.

Fourth, transfer knowledge. This knowledge transfer activity is carried out by conducting training for BUMDes

Sirojuzilam (2020). Agunggunanto et al. (2016) emphasizes the importance of the role of competent human resources in the financial management of BUMDes.

Considering the two problems above, the PkM Team followed up by carrying out Community Service at BUMDes Makmur Anugerah Lestari. This PkM activity is expected to realize good governance in the BUMDes Makmur Anugerah Lestari's organization through competent managers where they are able to compile financial reports properly in accordance with applicable regulations.

2. IMPLEMENTATION METHOD

management and employees by providing material in the form of good corporate governance. With this training, it is hoped that BUMDes management and employees can apply organizational governance in a professional and accountable manner. In order to realize good BUMDes's organizational governance, the PkM Team also transfers knowledge to administrators and employees through training to increase partners' abilities in making BUMDes financial reports and increase partners' ability to operate computer applications in making financial reports. In order for partners to adapt to technological advances, and be able to present financial reports in real time, the approach method used is training in the form of using Microsoft Excel software to be applied in the BUMDes financial reporting process.

Fifth, providing assistance. The method used in solving partner problems is assistance, which is carried out to improve financial reporting so that it is in accordance with applicable regulations, such as Laws and Regulations related to BUMDes Financial Management, Technical Guidelines and Technical Guidelines for Village Financial Management from the local Regional Government, Accounting Standard Guidelines Finance for Entities without Public Accountability (SAK-ETAP) and from various literatures books on Fundamentals of Accounting, Accounting Information Systems and Analysis of Financial Statements. Financial reports are prepared so that the accountability process can be fulfilled, and can be understood by all interested parties.

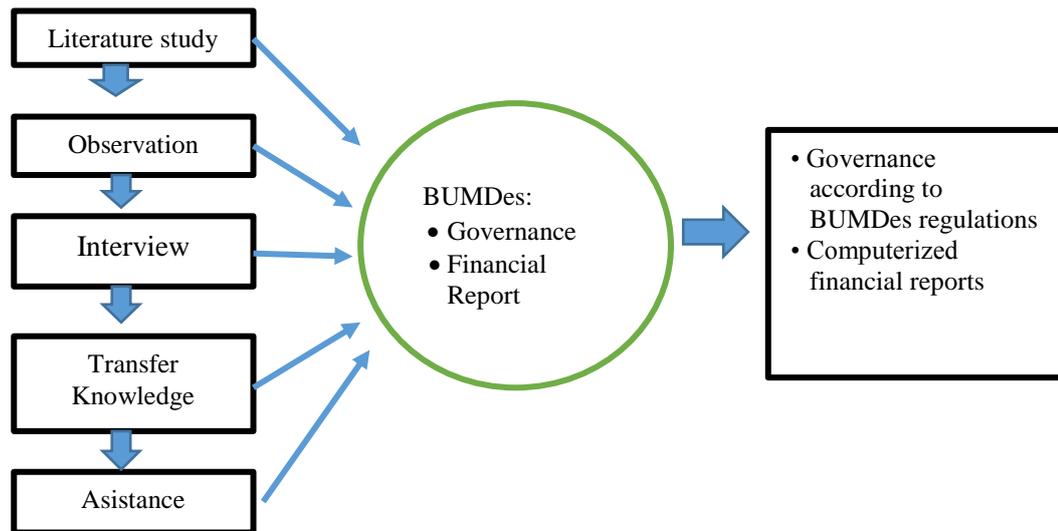


Fig 2. Methodology of Community Services Implementation at BUMDes Makmur Anugerah Lestari

3. RESULTS AND DISCUSSION

A. Governance

According to article 1 number 6 of Law number 6 of 2014 concerning Villages, BUMDes is a business entity whose entire or most of its capital is owned by the village through direct participation that comes from separated village assets in order to manage assets, services, and other businesses for as much as possible the welfare of the village community. As stated by Suparji (2019) in the BUMDes Governance Guidelines, the basis for establishing BUMDes is village regulations, and the form of BUMDes legal entity that is enforced on village businesses such as BUMDes follows business regulations and is certainly not in the form of a cooperative.

In terms of the BUMDes's management organization that specifically consists of Advisors, Directors and supervisory elements. BUMDes is an institution that is located outside the village organizational structure. In the advisory position, the BUMDes is held as the ex-officio of the Village Head. Meanwhile, the position of director can be held by a member of the community who has responsibility for village business operations as stipulated in a Village Head Decree.

The principles of good BUMDes management should follow the provisions of good organization governance. The principles of GOG as stated by many experts

include fairness, transparency, accountability and responsibility (Tjager et al., 2003). Fairness in this case places the same treatment on company owners. All must have equal access to company information. The principle of transparency emphasizes on providing access to correct and timely information about the company. All parties can play a role in making company decisions. Meanwhile, the principle of accountability refers to the form of management's responsibility to shareholders. Good management responsibility comes from effective and sustainable oversight. Meanwhile, the principle of responsibility is a form of corporate social responsibility to society.

To apply GOG principles to the governance of BUMDes Makmur Anugerah Lestari, the PkM Team took the initial solution in the form of increasing understanding of BUMDes governance in the separation of duties and authorities in each operational activity, which is aimed at facilitating evaluation of the achievement of BUMDes targets. The PkM team started by studying the organizational structure of the partners. The partner organizational structure prior to the transfer of knowledge consists of Supervisors, Advisors, Chairpersons, Secretaries, Treasurers, Heads of Clean Water Facilities Business Unit, Head of RO

Refill Business, and Head of PPOB Business Unit.

The PkM Team assessed that such an organizational structure was less representative of the business organizational structure. The organizational structure of BUMDes Makmur Anugerah Lestari still seems like a cooperative organizational structure. Even though as stated by Suparji (2019), BUMDes legal entities follow business regulations, not referring to cooperative legal entities. BUMDes is directed at a private orientation based on capital, while cooperatives are based on membership.

Therefore, the PkM Team rearranged the nomenclature of the BUMDes Makmur Anugerah Lestari organizational structure to become Supervisor by the Village Consultative Body, the Commissioner is held by the Village Head, the Director as BUMDes leader, Secretary and Treasurer, and each business unit is led by a Business Unit Manager. The status of the Secretary, Treasurer and Business Unit Manager in the organizational structure are BUMDes employees.

The arrangement of the BUMDes organizational structure adapts the BUMDes

organizational rules in article 15 of Government Regulation No. 11 of 2021 concerning BUM Desa, which consists of Village Conference, Advisors, Operational Implementers and Supervisors. In this government regulations, all the authorities and duties of the parties have been explicitly stipulated. After adapting the organizational structure and studying the authorities and duties of each stakeholder in accordance with Government Regulation No. 11 of 2021, the PkM Team then slightly improvised the nomenclature on the partner organizational structure as described above.

Based on the formulated authorities and duties, the PkM Team carried out the transfer of knowledge to all stakeholders, especially the directors, secretaries and treasurers, as well as employees, through training activities. This training is conducted offline because it considers the level of effectiveness. After the training, the PkM Team then provided assistance both online and offline because it adjusted to the partner's condition.

The results achieved from the governance and mentoring training are increased understanding of partners regarding the separation of duties and authorities, as well as an accountable organizational structure.

B. Financial Statements

Another expected outcome of this PkM activity is an increase in the ability of partners in preparing BUMDes Financial Statements and an increase in partners' ability to operate computer applications in making financial reports. This output is determined with the hope of fulfilling the GOG principles for partners, especially those on transparency and accountability principles. Because through this transparency, partners can then manage their business well so that they can improve their economy and business competitiveness.

In the early stages, the PkM Team transferred knowledge to partners through training activities that were carried out for one full day. This training is about basic accounting concepts, accounting cycles, chart of accounts, types of transactions, computer applications and preparation of financial documents, which are in

accordance with the BUMDes business unit. After the training, the PkM Team provided intensive assistance four times in the process of preparing financial reports using excel software. Through training and mentoring carried out by the PkM Team, partners are starting to recognize well the preparation of financial reports using excel software.

Partners have felt the use of excel software in preparing financial reports has made it easier to present them. In addition, partners find it more economical and practical because at any time if there is an error in transaction journalism, or input of report data, partners are faster to trace and correct it. Through this PkM activity the PkM Team concluded that the partners showed an increased understanding of excel-based financial reporting.

4. CONCLUSIONS AND SUGGESTIONS

A. Conclusion

From the results of the PkM activities, it can be concluded that:

- 1) The PkM Team specifically assessed that the implementation of organizational governance or good organizational governance by partners is still not optimal because it is only at the level of understanding of tasks and authorities that can be achieved. The practice of governance through the implementation of duties and authorities still takes even longer to reach the stage of good and correct corporate governance behavior so that it can fulfill the principles of fairness, transparency, accountability and responsibility.
- 2) In the aspect of preparing financial reports based on excel software,

The suggestions that can be conveyed from the above conclusions are:

- 1) Good corporate governance requires the formulation of a vision, mission, goals and objectives that are formulated by involving all elements of BUMDes Makmur Anugerah Lestari stakeholders, so that this will be a shared responsibility to achieve it. PkM in partners is then directed to assist in the preparation of a simple strategic plan document that can be used as a reference by all stakeholders in managing BUMDes businesses so that

meanwhile the PkM Team assessed that the partners had just met the understanding stage in operating the software for financial reporting needs. Partners are not yet fully able to mitigate problems that occur in every process of preparing financial reports and can find solutions appropriately and quickly. The Covid-19 epidemic situation has caused physical meetings to decrease, so you have to use an online approach for some of the assistance that is carried out. This has resulted in the effectiveness of mentoring as well as providing directions for various obstacles in preparing reports to not run well.

B. Suggestion

- they can provide benefits to village income and the welfare of village communities.
- 2) In order for partners to have the ability to mitigate problems in the process of preparing financial reports and at the same time find solutions, the PkM Team suggested the need for PkM activities in the form of special assistance to improve partners' abilities in mitigating all risks that occur in the process of preparing excel-based financial reports so that they can find a solution.

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