

# ANALYSIS OF MATERIAL NEEDS AND TRAINING METHODS FOR VILLAGE OWNED ENTERPRISES MANAGER AS AN EFFORT TO INCREASE THE CAPACITY OF HUMAN RESOURCES IN TANANTOVEA SUB-DISTRICT, DONGGALA DISTRICT

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# **ABSTRACT**

This research analyzes the management conditions, constraints, material requirements, and training methods for managing Village-Owned Enterprises (BUM Desa) in Donggala District. This research uses quantitative and qualitative methods (mix methods), the quantitative method used is Importance Performance Analysis (IPA) analysis in mapping the capacity of 10 Village-Owned Enterprises, and qualitative methods are used to describe the factual conditions of Village-Owned Enterprises management by selecting 12 informants consisting of village government officials, administrators of Village-Owned Enterprises, and Village Facilitators. The results indicate that performance is still low. However, the importance is high, namely (1) The managerial process of Village-Owned Enterprises, (2) Marketing methods and strategies, (3) Human Resources recruitment and qualification process, (4) Management knowledge, (5) Skills in managing a business, and (6) Strengthening the capacity of Village-Owned Enterprises management. At the research location, only Boya Paramba Mandiri Village-Owned Enterprises in Nupabomba Village, one of whose business activities can contribute to the economic improvement of the coffee farming community in Nupabomba Village. Constraints faced in managing Village-Owned Enterprises, namely related to the system and institutional support, personnel in the organization have not carried out their duties and functions optimally, and human resource factors in managing business management.

Keywords: Human Resource Capacity, Village-Owned Enterprises, Management, Training

# INTRODUCTION

The Village-Owned Enterprises (BUM Desa) has attracted much attention from various parties, especially village economic empowerment activists and academics. The reality of the field regarding the existence of Village-Owned Enterprises invites many questions about whether Village-Owned Enterprises have an impact in improving the community's economy, and also how the ability of the village to move Village-Owned Enterprises is supported by the community so that it becomes a collective effort for Village residents in consolidating Village assets and potential of economic value.

Law Number 6 of 2014 concerning Villages provides a new spirit for villages to become active subjects in the development process. The potential of natural and human resources in the village, local wisdom, and the spirit of cooperation are strengths in village development for the community's welfare. In moving the economy and improving the economic business of the community in the village, with the spirit of togetherness and social capital, the village government, together with the community, needs to have a village economic institution that is collective and inclusive, namely by establishing the Village-Owned Enterprises institution.

Village-Owned Enterprises are the pillars of economic activity in the village that function as social and commercial institutions. Village-Owned Enterprises as social institutions must side with the community's interests by contributing to social services. In contrast, as a



commercial institution, Village-Owned Enterprises aim to seek profit through offering local resources (goods and services) to the market. The establishment of Village-Owned Enterprises begins with strengthening the economy of the villagers. It is a new opportunity for the village to develop and utilize its potential in meeting the needs of the residents. Therefore, the business is carried out based on the village's potential, including economic, economic institutions, natural resources, and human resources. (Purnomo, 2016).

Village-Owned Enterprises that have been formed and spread throughout Indonesia in 2018 reached 45.549, and 145 Village-Owned Enterprises have succeeded in having an income of 1 billion (Ministry of Village PDTT, 2018). With the ongoing formation of Village-Owned Enterprises throughout Indonesia since 2014, there have also been challenges, and several of Village-Owned Enterprises have not developed and even have problems. 2.188 Village-Owned Enterprises have been formed but are not operating, and 1.670 Village-Owned Enterprises that operate but have not contributed to Village income (Ihsanuddin, 2019). In the management of Village-Owned Enterprises, there are often obstacles, such as the type of business being run, limited human resources (HR) that manage Village-Owned Enterprises, and community participation is still low (Agunggunanto, 2016:1).

In Tanantovea Subdistrict, Donggala District of Central Sulawesi Province, 10 villages have formed Village-Owned Enterprises since 2016. They are not running according to the purpose of their formation. The condition of Village-Owned Enterprises in Tanantove Subdistrict has changed several managers; because the current managers have not all received training or capacity strengthening related to the management of Village-Owned Enterprises. That is why the researcher is interested in knowing and analyzing the needs of materials and training methods for managing Village Owned Enterprises in Tanantovea Subdistrict for human resource development.

Law number 6 of 2014 concerning Villages has institutionalized and strengthened the existence of Village-Owned Enterprises. It is stated as a business entity whose entire or most of the capital is owned by the village through participation directly from village assets that are separated to manage assets, services, and other businesses for the most excellent welfare of the village community. According to Eko (2014: 249), the government's policies have the will and enthusiasm to contribute to poverty alleviation and the achievement of people's welfare. Village-Owned Enterprises are intended as a village business forum, with a spirit of independence, togetherness, and cooperation between the village government and the community, which develops local assets to provide services to community members and increase the economic income of the community and village.

The management capacity of Village-Owned Enterprises is strongly influenced by the capacity of the management and teamwork in carrying out their duties and functions to achieve organizational goals or targets. A person's capacity includes the knowledge, skills, and attitudes to work according to the organization's demands; work competence is also needed. Work competence is a map of employee capacity for the attributes of their work, which is a collection of abilities, skills, maturity, experience, effectiveness, efficiency, and success in carrying out job responsibilities (Priansa, 2018).

In Purbantara (2018), Grindle states that capacity development is the ability to perform the right task effectively, efficiently, and sustainably. Grindle further stated that the focus of capacity development includes the following dimensions: (a) human resource development, (b) organizational strengthening, and (c) institutional reform. In the context of Village-Owned Enterprises, human resource development can be seen in terms of the proper management recruitment system, training, salary/wages, and arrangement of working conditions and environment. Concerning organizational strengthening, the focus is on the organization's



management system to improve the performance of existing functions and tasks and the arrangement of microstructures, including existing personnel, leadership, communication, and organizational structure. Furthermore, concerning institutional reform, attention needs to be paid to changes in existing systems and institutions and the influence of macro structures such as government policies.

Training and human resource development activities for Village-Owned Enterprises to increase the capacity of Village-Owned Enterprises management must be well planned or designed so that outputs and benefits can be achieved. Training should be designed and planned with an earlier training needs assessment. According to (Kaswan, 2016:57), the purpose of a needs assessment is to collect information to determine whether training is needed in the organization. The important things in determining where the training is needed; and what specific knowledge, skills, abilities, and other characteristics should be taught. According to Noe (2010:104), in carrying out a training needs analysis, three elements become the focus of the analysis: the Organization, Individual/employee, and task/job.

## **METHOD**

This research would map the human resource capacity of Village-Owned Enterprises managers and then describe human resources training and development needs. Therefore researcher used quantitative and qualitative research methods (mix method).

Quantitative research used the Importance Performance Analysis (IPA) analysis method, which combines measurements of the importance and level of satisfaction factors to assist in conclusions and managerial decision making (Martilla dan James, 1977 in Nugraha.C.N dan Yuniawan A, 2017). Each attribute is mapped into a Cartesian graph with this IPA analysis method. Then concluding the performance and importance of each capacity attribute. Quadrant I (attributes to improve) is considered important, but these attributes' performance is less than expected. Quadrant II (maintain performance) is considered important, and its implementation is expected. Quadrant III (attributes to maintain) is considered less important, and the performance of these attributes is less than expected. Quadrant IV (attributes to de-emphasize) is considered less important, while the performance on this attribute is too high.

Qualitative research is carried out to explore and understand the meaning of behaviour and groups, describing social problems or humanitarian problems. The research process includes making research questions and procedures that are still temporary, collecting data in participant settings, analyzing data inductively, building partial data into themes, and then providing interpretations of the meaning of the data (Creswell in Sugiyono, 2015:347). In this research, the theme that became the research object was the management of Village-Owned Enterprises, the constraints experienced, and the need for training materials and methods.

# RESULTS AND DISCUSSION

Based on the Importance Performance Analysis (IPA) results of the 15 Village-Owned Enterprises capacity attributes studied in Tanantovea Subdistrict, attributes have high importance. However, still, low performance was identified, namely: (1) Village-Owned Enterprises managerial processes, (2) Methods and marketing strategy, (3) human resources recruitment and qualification process, (4) Management knowledge, (5) Business management skills, and (6) Village-Owned Enterprises management capacity strengthening. These results can provide information that the six attributes mentioned above need attention in strengthening the capacity of Village-Owned Enterprises in Tanantovea Subdistrict.



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10 Village-Owned Enterprises in Tanantovea sub-district was formed in 2016 based on the mandate of Law No. 6 of 2014 concerning Villages to develop the community's economy and manage village potentials that can improve the community's economy become a source of Village Original Income. In 5 Village-Owned Enterprises that have been conducted in-depth interviews, it was informed that the types of businesses run are trading and processing agricultural products, financial services (savings and loans), renting tents/chairs, selling rice, cooking oil, fuel oil, and gas, photocopying services, sales of clean water. The results also show that 5 Village-Owned Enterprises run rice trading businesses, and 3 Village-Owned Enterprises with the same type of business, namely savings and loans.

In addition, there are Village-Owned Enterprises that have different types of businesses, such as Nupabomba Village with a business in agricultural product management: coffee. In Wani 1 Village, it has a business selling vehicle fuel, namely Pertamini and Pertashop, and in Wani 2 Village, it sells clean water to the wooden boat that docks at Wani Harbor. However, this clean water sales effort has failed because the Village-Owned Enterprises is experiencing poverty. Based on this description, with the similarity of businesses types, it can be said that in choosing the type of business, they have not focused on village potential but imitate each other, and their businesses are not different from general traders or individual entrepreneurs in the village. Furthermore, only the Enterprises of Boya Paramba Mandiri Village in Nupabomba Village has a business unit according to its natural resource potential, namely the coffee business. Village-Owned Enterprises of Boya Paramba Mandiri in Nupabomba Village and Mabelo Guntarano Village have contributed to their income from their business results.

In this research, the constraints and limitations in the management of Village-Owned Enterprises in Tanantovea Subdistrict, namely the ability of human resources that is not by the expected capacity related to the knowledge and skills of human resources in managing the organization and business unit of Village-Owned Enterprises. This business management includes planning, finance, operational to the marketing aspect. The following capacity is in terms of the capacity of Human Resources for Village-Owned Enterprises management. In addition to limited knowledge and skills, there is also an attitude of commitment, where there are Village-Owned Enterprises administrators still have low work motivation. The next obstacle is that the persons who became the administrators or managers of the Village-Owned Enterprise are not focused on working according to their duties and functions. It can be said that the Village-Owned Enterprises management had not worked professionally so that the working relationship or work team had not run well according to the structure existing organization.

Constraints in the institutional dimension of Village-Owned Enterprises are directly related to government policies, starting from the central government, districts to village governments. Village-Owned Enterprises was formed based on the community's needs and the government, then legalized through Village Regulations. Talking about Village Regulations, there is stakeholder involvement in the village. Thus village government support is needed for the existence of Village-Owned Enterprises itself. This problem was experienced by Village-Owned Enterprises of Karya Mandiri Wani II village, where there was disharmony between the Village Head and the Village Representative Board, especially for Village-Owned Enterprises activities. The management of Village-Owned Enterprises of Karya Mandiri faces difficulties in running a business because of concerns that they will violate the rules in the Articles of Association and Bylaws. The current institutional system can be said to have not supported the operational activities of Village-Owned Enterprises.

Based on the results of the analysis of the need for strengthening the capacity of Village-Owned Enterprises human resources, the knowledge, skills, and attitudes for Village-Owned Enterprises management those are needed:

- 1. Policies and substance of the Legislation regarding Village-Owned Enterprises,
- 2. Drafting or reviewing the rules of the Village-Owned Enterprises' Articles of Association and Bylaws,
- 3. Knowledge of Social Entrepreneurship to strengthen the social mission of the establishment of Village-Owned Enterprises,
- 4. Potential analysis, opportunity, feasibility study, and Village-Owned Enterprises strategic plan,
- 5. Business Management, which includes leadership, planning, implementation, control, and evaluation,
- 6. Financial material includes budget planning, financial records, and financial reports of Village-Owned Enterprises business results.
- 7. Utilization of information technology in supporting the operational activities and businesses of Village-Owned Enterprises.

Based on field data, it can be concluded that other than the lectures learning method, there are also practice and comparative studies for the effectiveness of the learning process in the training of Village-Owned Enterprises management. The learning method is adapted to the learning objectives. Practical methods such as learning financial bookkeeping are suitable for the skill capacity domain. For learning the operational management of activities or production fields, the method is field visits or comparative studies to Village-Owned Enterprises that have been going well. For the realm of knowledge or policy, the method used commonly is a lecture followed by a discussion for deepening.

# CONCLUSIONS

Based on the analysis of Human Resources, Organizations, and Institutions in this research, it can be concluded that the need for training materials for Village-Owned Enterprises management, namely: (1) Legislation Policies on Village-Owned Enterprises, (2) Articles of Association/Bylaws and SOPs for Village-Owned Enterprises Management, (3) Social Entrepreneurship, (4) Analysis of Village Potential and opportunities, business models, (5) Managerial (Financial Management, Operations, human resources, Marketing), (6) Annual work plan and budget, (7) Administration Village-Owned Enterprises, (8) Financial Reports, (9) Management of business units, (10) Utilization of computer and internet technology in the management of Village-Owned Enterprises management. Furthermore, the training methods needed are lectures, discussions, practice, field visits, comparative studies, and case studies.

For the capacity development of Village-Owned Enterprises, socialization, coaching, training, and mentoring activities for Village-Owned Enterprises Management and Village Government still need to be carried out by related parties, including from the Donggala Regency Regional Apparatus Organization in charge of Village-Owned Enterprises development. Furthermore, it is recommended to conduct research related to management and business in managing village potentials that have economic value, can positively impact villagers, and are needed by the market.

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