Digitalization of Creative Economy: Formation of Village Owned Enterprises (BUMDes) of the Wirokerten Village Based on the Potentials of the Village

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Abstract. Village-owned enterprises (BUMDes) are institutions that play an important role in village economic growth and whose presence can accommodate and encourage local economic development. The purpose of this article is to describe the development of the economic potential of the Wirokerten Village community through the establishment of BUMDes Wirajaya Makmur. There are four stages to implementing this program: the preparatory stage, the implementation stage, the monitoring and evaluation stage, and the follow-up plan. In the preparatory stage, observations were made that showed that BUMDes Kalurahan Wirokerten had not yet been formed as an accommodation for MSME development and conventional methods were still being applied in marketing their products. The implementation stage resulted in the formation of BUMDes Wirajaya Makmur as an accommodator and driver of development in the economic sector, especially MSMEs, the creation of the BUMDes Wirajaya Makmur logo, and the conduct of training to increase the capacity of BUMDes Wirajaya Makmur officials. This program can contribute to developing the economy of Wirokerten Village, especially in the MSME sector, so it is hoped that it will be able to improve the standard of living of the surrounding community.

Keywords: BUMDes, creative ecosystem formation, digitalization

1 Introduction

Village Owned Enterprise (BUMDes) is an accommodating institution, so the existence of BUMDes in Indonesia has an important role in stimulating and moving the economy of rural communities. Due to the effects of COVID-19, Indonesia will have 57,273 BUMDes in 2021, of which 45,233 will be active and 12,040 will be inactive [1]. Then, in 2022, the number of BUMDes will have increased to 50,581 business entities, and 7,902 of them are already legal entities [2]. The COVID pandemic has impacted Indonesia's economic growth, which the increase in business entities aims to restore. In addition, BUMDes also plays a role in driving the economic potential of rural communities [3]. The establishment of BUMDes is the first step to developing the economic situation in the village since it can help improve people's welfare through the contributions made in carrying out economic activities, namely entrepreneurship [4] So that it provides financial benefits to the community in the form of

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sustainable employment opportunities, increasing village original income (PAD), and village community income.

BUMDes is formed by considering the level of community participation so that it can form a business activity program that involves the local community, with elements of BUMDes ownership being the community and village government [5]. The establishment of BUMDes is an important aspect of increasing community economic income based on the needs, potential, and capacity of the community [6]. So that it can improve the quality of life of officials, managers, and the community [7]. Therefore, it is necessary to establish BUMDes in the Wirokerten sub-district to create a sustainable creative economy.

Wirokerten Village is one of the Villages located in Kapanewon Banguntapan, Bantul Regency, and the Special Province of Yogyakarta (DIY). The area of Wirokerten Village is 386.17 hectares, of which most of the area is agricultural land. The Wirokerten village has 94 MSMEs that have the potential to boost the economy of the Wirokerten sub-district community, such as the wood waste craft industry, emping melinjo industry, pearl tofu industry, flour industry from various tubers, and butterfly pea flower industry [8]. In addition, the Women Farmers Group (KWT) of Wirokerten Village has a culinary business in the form of pea flower *besek* rice. The Wirokerten Village also has a fishery business, namely the Grojogan Pond. Around the pond, there is a gazebo and a pavilion building. This, of course, has a lot of potential if managed properly [9].

Based on the results of observations, the Wirokerten Village has a lot of potential but has not been integrated and still uses conventional promotion methods. Promotions that are conventional in nature force consumers to buy products offline. Therefore, it is necessary to digitize the creative economy through the establishment of BUMDes. This aims to integrate MSME products that are worthy of being traded or carry out other economic activities with various types of businesses so as to increase village income and open up employment opportunities for the people of Wirokerten Village. In the previous stage, the Wirokerten Village had collaborated with the Muhammadiyah University of Yogyakarta (UMY) in the Creative Idea Competition Service Program (KIK). The implementation of this program has created a digital branding website for the tourism village of Wirokerten Village. Armed with this program, the implementation of the PKM program aims to strengthen the village economy through the establishment of the Wirokerten Village BUMDes to create a sustainable creative economy.
Based on the results of previous observations, there are problems facing Wirokerten Village. First, BUMDes has not been formed in Wirokerten Village. Wirokerten Village has a large number of various types of MSMEs. However, MSMEs in the Wirokerten village have not been integrated because BUMDes has not been formed as a legal entity. Second, there is no BUMDes logo yet. The BUMDes that will be formed in Wirokerten Village must, of course, have a logo as an identity. Apart from that, the BUMDes logo also serves as branding for BUMDes Kalurahan Wirokerten. Third, the marketing of MSME products still uses conventional methods. In addition to the fact that MSMEs in Wirokerten Village are not yet integrated, the method used in product marketing is the conventional method. This will certainly hinder product marketing, which will affect sales turnover. These problems can be resolved if marketing is done digitally.

The formation of BUMDes is the first step to developing a creative economy in a sustainable manner because it is a solution to minimizing obstacles to the community's economy [10]. BUMDes has the role of being a facilitator in marketing products produced by the community so that it can improve the economy of the local community [11]. BUMDes also plays a role as a driver in advancing the community's economy by utilizing existing potential [12]. However, before being established, BUMDes must have clear objectives, such as optimizing the management of village potential [13]. The objectives of establishing BUMDes include increasing village financial income, developing community businesses, and serving as community service providers [14].

BUMDes was established by promoting the principles of transparency, accountability, sustainability, and participation [15]. However, the establishment of BUMDes must also be supported by regional and village regulations made during village meetings so that they have a strong legal basis to operate. If the operation of BUMDes can run optimally, it will become an independent village capable of developing various business potentials in the village. In addition, BUMDes are also established by taking into account existing potentials and needs so that they can help improve community welfare in a sustainable manner [16]. Village potential is a situation in an area that can develop and utilize natural resources, human resources, unique locations, and history so that it has its own advantages in the village if managed properly [17]. However, to find village potential, it is necessary to explore its maximum potential [18]. Therefore, BUMDes was established to contribute to the economy and social welfare [19].

2 Methodology

The implementation of this service will use the ABCD (asset-based community development) approach model. The ABCD approach is a community empowerment model that prioritizes the use of assets and potential owned by the community or community members who are empowerment partners [20]. The potential in question is in the form of local resource potential through the establishment of BUMDes located in Wirokerten Village, which will be developed to improve the community's economy in a sustainable manner. Then, the implementation method for the Community Service Program will be divided into four stages: preparation, implementation, program monitoring and evaluation, and follow-up plans. These stages are sorted based on the problems that must be resolved immediately and the time management for implementing the most feasible stages. The following are the stages of implementing the service program activities that will be carried out:
Based on the chart above, it is explained that there are four stages that will be carried out in community service in Wirokerten Village. The first is the Preparation Stage. This stage begins with discussions and coordination with the Wirokerten Village officials regarding the finalization of the activity implementation plan, which aims to mature concepts and understanding between members. The implementing team will then conduct follow-up observations with the beneficiary partner group, namely the Wirokerten Village. This is done to equate each perception with a particular issue or topic, so that later it will give birth to a mutual agreement.

The second stage is the Implementation Stage. This stage begins with the deployment of the service team to the location of the program partners, namely in Wirokerten Village. Then, in the implementation of this program, there are three main focuses that will be carried out in this service: assisting in the formation of BUMDes Kalurahan Wirokerten by providing assistance through Focus Group Discussion (FGD) for the formation of BUMDes Kalurahan Wirokerten; assisting in the creation of the BUMDes logo, where this activity will involve a team of graphic design experts in assisting in the design creation so that later they can produce designs that suit their needs and have a logo that becomes the identity of the product so that it is easily recognized; and assistance in managing BUMDes with legal entities.

The third is the Monitoring and Evaluation Stage. The implementation of the monitoring and evaluation phase will be carried out in two ways, namely internal and external. Implementation of internal monitoring and evaluation will be carried out as a form of monitoring the activity of the service team in carrying out their duties and responsibilities while participating in this series of Community Service Program activities. Then, for external monitoring and evaluation, it will be carried out to find out the role and involvement of partners in participating in this series of Community Service Program activities. The results of the monitoring and evaluation that have been carried out will later be used in an effort to make improvements to the next program.

Fourth is the follow-up plan (RTL). Seeing that there is such a big chance for sustainability, it is necessary to make an effort to ensure the follow-up of this community service program. After carrying out a series of activities above as well as a form of maintaining program sustainability, a follow-up plan is carried out. During its preparation, the RTL will be compiled in the form of digital documents according to the needs and agreements between the team and partners. This is done with the aim of making things easier for the team in the following year and to ensure the sustainability of this program.

3 Results and Discussion

1. Problem Identification

The formation of BUMDes is the first step to developing a creative economy in a sustainable manner because it is a solution to minimizing obstacles to the community's economy [21]. BUMDes was established by promoting the principles of transparency, accountability, sustainability, and participation [22]. However, the establishment of BUMDes must also be supported by regional and village regulations made during village meetings so that they have a strong legal basis to operate. If the operation of BUMDes can run optimally, it will become an independent village capable of developing various business potentials in the village. In addition, BUMDes was also established by taking into account existing potentials and needs so that they could help improve community welfare in a
sustainable manner [23]. However, to find village potential, it is necessary to explore the maximum potential [24].

The Wirokerten Village is currently dealing with a number of issues, including the following:

1. BUMDes has not yet been formed. Wirokerten Village has a large number of various types of MSMEs. However, MSMEs in the Wirokerten sub-district have not been integrated because BUMDes have not yet been formed as a legal entity.

2. There is no BUMDes logo yet. The BUMDes that will be formed in Wirokerten Village must, of course, have a logo as an identity. In addition, the BUMDes logo also serves as the branding for BUMDes Kalurahan Wirokerten.

3. The marketing of MSME products still uses conventional methods. In addition to the fact that MSMEs in Wirokerten Village are not yet integrated, the method used in product marketing is the conventional method. This will certainly hinder product marketing, which will affect sales turnover. These problems can be resolved if marketing is done digitally.

2. The Establishment of BUMDes Wirajaya Makmur

As described in previous chapters, BUMDes play a very important role in economic growth in a village. There is a lot of economic potential in Wirokerten Village, such as MSMEs and others. Therefore, it is necessary to form a BUMDes that aims to accommodate and encourage village economic activity, seeing the many opportunities in the economic sector that can be developed into a promising income. This activity was carried out on January 25, 2023, at the Grojogan Pool Hall through a Focus Group Discussion (FGD). This activity was attended by a team of servants, pamong kelurahan, youth, and MSME actors. In this activity, it was also agreed upon the name of the BUMDes Kalurahan Wirokerten, namely BUMDes Wirajaya Makmur. In addition to establishing the BUMDes name, an Organizational Structure, Vision and Mission, AD/ART, and Functions were also formed.

3. The Assistance in Logo Creation of BUMDes Wirajaya Makmur

A logo is an important element in branding an entity. The visual identity and identity of an entity are both represented by its logo. The entity in question is like an organization, business, institution, product, and so on. A logo is one part of marketing in business. A good logo can be used as a virtual communication tool to show the character of an entity. Therefore, it is very necessary to have a logo for BUMDes of Wirokerten Village named Wirajaya Makmur. Apart from being an identity, the logo is expected to add to its attractiveness so that it can increase opportunities for economic development. In this regard, the service team initiated the creation of the Wirokerten Village BUMDes logo in collaboration with selected vendors. The logos that have been made are as follows:
4. **Manajerial Training for BUMDes Wirajaya Makmur**

In connection with the newly formed BUMDes Wirajaya Makmur, a lot of innovation and effort are needed to achieve the ideal BUMDes. Therefore, the service team initiated training activities to increase the capacity of BUMDes Wirajaya Makmur. This training focuses on managerial aspects with the aim of being able to master efficient BUMDes governance so that it can achieve structured organizational management that will later be able to carry out its authority properly. This training activity was held on February 5, 2023, and was attended by BUMDes Wirajaya Makmur as well as several village officials and service teams.

5. **Digitalization Training for BUMDes Wirajaya Makmur**

Based on one of the problems found in Wirokerten Village, namely that most product marketing is still carried out using conventional methods, the community service team initiated digitalization training to market MSME products and other original Wirokerten Village products through the Wirokerten Village Government website and the dewikerten.id website, which was previously managed by the Wirokerten Village government website. Pokdarwis Wirajaya. The purpose of this training is to ensure that the marketing of MSME products is no longer carried out using traditional methods but through the mass media, so that it can cover a wider market area in a more efficient way. This activity was carried out on
February 17, 2023, at the SSJ coffee shop. This training was attended by BUMdes Wirajaya Makmur.

Figure 6. Digitalization Training for BUMDes Wirajaya Makmur

4 Conclusions

Based on the description above, it can be concluded that Wirokerten Village in Bantul Regency, DIY, has quite good economic potential in the MSME sector or the economy. However, behind this potential are problems that the Wirokerten Village is experiencing, namely that the Village-Owned Enterprise of the Wirokerten Village has not yet been formed as an accommodation for MSME development and conventional methods are still being applied in marketing their products. Based on these problems, the efforts made by the service team are to provide assistance in the formation of BUMDes Kalurahan Wirokerten and to increase the quality value of the BUMDes. The result of this service is the formation of BUMDes Kalurahan Wirokerten, named BUMDes Wirajaya Makmur, making a logo, and increasing the capacity of BUMDes Wirajaya Makmur by conducting several trainings related to the needs of BUMDes.

The participation of partners in the implementation of the program ran smoothly. The Wirokerten Village Government and BUMDes Wirajaya Makmur of Wirokerten village provide places and human resources who are ready to be trained, assist, and evaluate program achievements that have been implemented between service teams towards partners. Wirokerten Village Government and BUMDes Wirajaya Makmur of Wirokerten village have been involved since the beginning of this program, which was formulated based on the results of partners observations. In addition, the Wirokerten Village Government and Wirajaya Makmur BUMDes also participate in funding, both in kind and in cash.

References


[4]. ibid.


[9]. ibid.


