#### Research Article

# Community Participation in BUMDes Management: A Case Study of Harjawana Village

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#### Abstract.

This research investigates the vital role that community involvement plays in the administration of Harjawana Village's village-owned businesses (BUMDes). Enhancing local economies and promoting community welfare, BUMDes are an essential part of rural development. This research uses a qualitative case study methodology, using focus groups and interviews with local leaders, community members, and members of BUMDes administration. Results show several problems such as leadership commitment and the need for community participation in managing BUMDes. Community involvement also has a major impact on BUMDes initiatives' efficacy and long-term viability. Transparency in decision-making, initiatives to improve capacity, and encouraging a sense of ownership among villagers are important components of successful participation. Insightful information is provided for policymakers and practitioners who wish to improve BUMDes management by increasing community involvement.

**Keywords:** rural economy, community participation, village-owned enterprise, community engagement

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# 1. INTRODUCTION

Harjawana Village is located in Bojongmanik District, within the Lebak Regency of Banten Province. It is classified as a disadvantaged village, with a Developing Village Index (IDM) of 0.5487, indicating that it faces challenges in economic development and infrastructure compared to more advanced areas. The village, like many others in similar circumstances, is working to improve its socioeconomic conditions through various initiatives. One significant aspect of its development efforts is the establishment of the Village-Owned Enterprises (BUMDES), which play a key role in fostering local economic growth. BUMDES is a critical indicator in the comprehensive assessment of a village's economic development, as it provides opportunities for local residents to engage in

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business activities, generate income, and improve their standard of living. The success of BUMDES in Harjawana Village could contribute significantly to enhancing its economic resilience and overall progress toward becoming a more developed community.

Harjawana Village has established a Village-Owned Enterprise (BUMDes) focused on waste management, which aims to address environmental challenges and improve waste disposal practices in the area. However, despite the existence of clear regulations governing its operation, namely Village Regulation No. 2 of 2023 concerning Waste Management, the BUMDes has not been functioning optimally. This inefficiency may stem from various factors, including limited resources, lack of community participation, or challenges in the implementation and enforcement of the regulation. The regulation itself provides a framework for effective waste management, yet the gap between policy and execution suggests that further efforts are needed to strengthen the management capacity, improve infrastructure, and engage the local community more actively. Enhancing the performance of this BUMDes is crucial not only for waste management but also for the overall economic development of Harjawana Village. By optimizing its operations, the BUMDes could contribute to a cleaner environment, create local jobs, and serve as a model for sustainable practices in other disadvantaged villages.

BUMDes (Village-Owned Enterprises) plays a crucial role as a local economic driving force in Harjawana Village, acting as a catalyst for improving the welfare of its community. By providing avenues for local economic activities, BUMDes helps generate income, create jobs, and enhance the overall quality of life for residents. In the case of Harjawana, the BUMDes focuses on waste management, which not only addresses environmental issues but also offers the potential for economic development through services such as waste collection, recycling, and resource recovery. The enterprise encourages local participation and empowers the community to actively engage in initiatives that benefit both the economy and the environment. When effectively managed, BUMDes becomes an important instrument for promoting sustainable growth, fostering entrepreneurship, and alleviating poverty in rural areas. By optimizing its operations, the BUMDes in Harjawana Village could significantly contribute to long-term improvements in the welfare of its people, building a more resilient and prosperous community.

Through effective local resource management, BUMDes (Village-Owned Enterprises) can play a pivotal role in creating jobs, increasing community income, and reducing dependence on external resources in Harjawana Village. By focusing on utilizing and optimizing local resources, such as waste, agriculture, and other natural assets, BUMDes can develop sustainable business models that not only address immediate needs but

also build long-term economic resilience. For example, in waste management, BUMDes can generate income by recycling materials, offering waste collection services, and converting waste into valuable products. This creates local employment opportunities and enhances community involvement in the process. Additionally, by focusing on local production and services, BUMDes helps reduce reliance on outside suppliers or external economic support, which can be unstable or distant. The enterprise becomes a key driver of local economic independence, fostering a sense of ownership among villagers and helping to uplift the community's overall standard of living. This approach not only boosts the local economy but also strengthens the social fabric, as the community works together toward common economic and environmental goals.

BUMDes (Village-Owned Enterprises) is not only an economic engine for local growth but also a strategic partner in implementing village development programs based on community participation. By leveraging local resources and fostering active participation from residents, BUMDes can help drive initiatives that address the unique needs of the village. This partnership between BUMDes and community members ensures that development projects are aligned with the interests and capabilities of the people, promoting sustainable growth and long-term benefits.

The results of the study of community participation has a positive and significant effect on village-owned enterprise financial management [1]. Through community participation, BUMDes can facilitate programs that enhance skills, increase local entrepreneurship, and improve access to essential services. For example, BUMDes can provide training programs for waste management, agricultural practices, or small-scale business development, enabling villagers to improve their livelihoods and create a more self-sufficient economy. By involving the community in decision-making and operations, BUMDes fosters a sense of ownership and responsibility, which leads to more effective and lasting outcomes. Furthermore, BUMDes can collaborate with local government and other stakeholders to implement development strategies that are tailored to the village's needs, ensuring that the benefits of these programs are felt across the entire community. In this way, BUMDes becomes a central agent of change, helping to build a more resilient, prosperous, and empowered village.

The success of BUMDes (Village-Owned Enterprises) has the potential to significantly reduce poverty, increase access to essential public services, and develop village potential in a more independent and sustainable manner. When BUMDes operates effectively, it becomes a powerful tool for enhancing the local economy by creating jobs, generating income, and fostering entrepreneurship within the community. This,

in turn, helps alleviate poverty by providing villagers with opportunities for economic advancement and reducing their reliance on external assistance.

BUMDes also plays a critical role in improving access to vital public services. For example, in Harjawana Village, where the BUMDes is involved in waste management, it ensures that the community has better waste disposal systems, promoting cleanliness and environmental health. Similarly, BUMDes can invest in improving local infrastructure, such as roads, markets, and sanitation facilities, which enhances the quality of life for residents. By providing access to these services, BUMDes contributes to overall community well-being and helps address gaps in public service delivery that may exist in rural areas.

Moreover, BUMDes promotes the development of local resources, such as agricultural products, handicrafts, or other village-based industries. By supporting the production and marketing of these local goods, BUMDes encourages economic self-sufficiency and reduces the need for external supply chains. This sustainable approach not only strengthens the village's economy but also fosters a sense of community pride and ownership. Over time, the successful operation of BUMDes can build a more resilient and self-reliant village, driving long-term, sustainable development and reducing the village's dependence on external resources.

The community plays a crucial role in managing BUMDes (Village-Owned Enterprises) in a sustainable manner, as its success is heavily dependent on the level of community participation and commitment. For BUMDes to thrive and have a lasting impact, it requires active involvement from local residents at every stage—from planning and decision-making to daily operations and monitoring. The community's ownership of the enterprise ensures that it is not just a top-down initiative, but a collaborative effort that reflects the needs, priorities, and aspirations of the villagers.

When the community is engaged and committed, they bring valuable insights into local challenges and opportunities, helping to shape the enterprise in ways that are most relevant and beneficial to them. Their participation fosters a sense of responsibility and pride, which encourages more diligent efforts to make BUMDes succeed. This commitment can also improve the management of resources, ensure the sustainability of services, and lead to the creation of local jobs, thereby addressing issues such as poverty and unemployment.

Moreover, strong community involvement helps to build trust between the villagers and the BUMDes management, which is essential for the long-term viability of the enterprise. As residents actively participate in the operations, whether through investment, labor, or support of BUMDes services, they contribute directly to its financial stability and growth. By taking ownership and holding BUMDes accountable, the community ensures that the enterprise can adapt to changing needs and challenges, ultimately leading to sustainable development and improved livelihoods for all. In this way, the success of BUMDes hinges on the collective effort and dedication of the community, making it a truly community-driven enterprise.

In this context, community participation in BUMDes (Village-Owned Enterprises) management is a determining factor for its long-term success and sustainability. The active involvement of local residents in the planning, decision-making, and day-to-day operations of BUMDes ensures that the enterprise aligns with the needs and aspirations of the community. When community members take an active role, they contribute their knowledge, skills, and resources, making BUMDes more responsive and adaptable to local challenges.

Effective community participation fosters a sense of ownership and accountability, which are critical for the sustainability of BUMDes. When people feel personally invested in the success of the enterprise, they are more likely to support its initiatives, maintain its operations, and help solve problems as they arise. This collective effort helps ensure that BUMDes remains financially viable, while also allowing it to adapt to changing circumstances, such as shifts in local demand or external economic conditions.

Moreover, community involvement strengthens the social fabric of the village, as residents work together towards common goals, building trust and cooperation. This sense of unity is essential for overcoming obstacles and ensuring that BUMDes continues to thrive over time. Ultimately, the long-term success of BUMDes depends not only on effective management but on a community that is engaged, committed, and empowered to guide the enterprise toward sustainable growth and development. This research aims to identify and analyze community participation in the management of BUMDes in Harjawana Village.

#### 2. THEORETICAL STUDY

According to Paul "community participation define as an active process by which beneficiary/ client groups influence the direction and execution of a development project with a view to enhancing their well being in terms of income, personal growth, self reliance or other values they cherish" [2]. Community participation is a process through which the concerns, needs, and values of the public are actively incorporated into the decision-making processes of both government and corporate entities[3]. Community participation helps to create a government that is more transparent, accountable, inclusive, and responsive to the needs and aspirations of the people [4]. Its also defined by that community participation helps to create a government that is more transparent, accountable, inclusive, and responsive to the needs and aspirations of the people.

It involves engaging local populations in decisions that directly affect them, ensuring that their voices are heard and considered in shaping policies, projects, and initiatives. Moreover citizen participation is a process by which citizens act in response to public concerns, voice their opinions about decisions that affect them, and take responsibility for changes to their community [5]. This participatory approach fosters a sense of ownership and responsibility among community members, as it allows them to influence outcomes that impact their daily lives, whether in terms of governance, economic development, or social well-being. Beyond simply informing the public, effective community participation seeks to involve individuals in meaningful ways, such as through consultations, public hearings, workshops, or collaborative planning efforts. By integrating diverse perspectives and fostering dialogue, it helps create more equitable, inclusive, and sustainable solutions. Ultimately, community participation enhances transparency, builds trust between the public and decision-makers, and promotes decisions that are better aligned with the actual needs and values of the people they serve. This process is particularly crucial in contexts like local governance and development, where the success of policies and programs often hinges on the active involvement and support of the community. The roles of Village Owned Enterprise to the rural community empowerment following three main aspects, which are institutional, economic, and socio-cultural aspect [6]. To grow village community participation, a leader who understands the aspirations and desires of the community is needed[7].

Sherry Arnstein, in her 1969 article on citizen involvement in planning processes in the United States, introduced the "ladder of citizen participation," a framework that categorizes the varying degrees of public involvement in decision-making[8]. Arnstein's

ladder consists of eight rungs, each representing a different level of citizen influence, ranging from token involvement to full control.

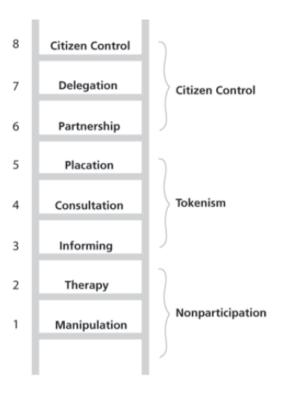


Figure 1: Degree of Citizen Participation. Source: Arnstein [8]

At the bottom rungs, such as "manipulation" and "therapy," citizen participation is minimal and essentially non-existent in terms of actual influence. These levels represent instances where authorities may use participation as a way to manipulate public opinion or to pacify citizens, without genuinely considering their input. The goal at these levels is often to control the narrative, rather than incorporate feedback into decision-making.

The next level, "informing," allows for one-way communication, where authorities provide information to the public, but there is no opportunity for citizens to give meaningful feedback. While this increases awareness, it does not enable citizens to participate in shaping decisions. In the "consultation" rung, citizens can offer feedback through surveys, public hearings, or meetings, but their input is not binding. Authorities may listen to the feedback, but the ultimate decision-making power remains with the government or planners, and citizens have limited influence on the final outcome.

The middle rungs, including "placation" and "partnership," represent more collaborative forms of participation. "Placation" allows citizens to express opinions that might influence decisions, but decision-makers are not bound by those opinions. In contrast,

"partnership" involves a more balanced relationship, where citizens and authorities work together to make decisions, and citizens have a more direct role in shaping outcomes.

The highest rungs—"delegated power" and "citizen control"—give citizens significant authority. At "delegated power," citizens are granted the power to make decisions in specific areas, such as a local planning board making final decisions about a community project. "Citizen control" represents the highest level, where citizens have full control over decision-making processes and the management of resources, essentially taking over planning and decision-making roles from government authorities.

Arnstein's ladder highlights the importance of moving beyond token participation to ensure that citizens have real influence over decisions that affect their lives. It critiques processes where participation is used as a facade to placate the public without offering them substantial power, urging a shift toward truly empowering communities in governance and planning.

#### 3. METHODS

This research employs a qualitative method with a case study approach to gain an in-depth understanding of the subject under investigation. By focusing on a specific case, the study allows for a detailed examination of complex phenomena within its real-life context. Data collection techniques for this study include interviews, observation, and document analysis, which together provide a comprehensive view of the topic. Interviews were conducted with key stakeholders to gather insights and personal perspectives, offering a direct understanding of the experiences and views related to the case. Observations were made to capture contextual factors and interactions in their natural setting, allowing for a richer understanding of behaviors and dynamics. Additionally, document studies were employed to analyze relevant written materials, such as reports, records, or official documents, to supplement the primary data and provide historical or background context. This triangulation of data sources helps ensure the reliability and validity of the findings, providing a well-rounded and thorough exploration of the research topic.

# 4. RESULTS AND DISCUSSION

#### 4.1. Results

### 4.1.1. Leadership Commitment and Community Involvement

Leadership commitment and community involvement are crucial factors in determining the direction and success of BUMDes management in Harjawana Village. BUMDes leaders hold significant responsibility in shaping the vision, setting goals, and ensuring the overall success of the enterprise. However, the research found that there was a lack of commitment from some leaders in fully optimizing community participation. This lack of commitment is often attributed to ineffective coordination and communication between BUMDes administrators and the community. Without clear and consistent communication, it becomes difficult to engage the community and maintain their active participation.

As a result, many individuals who were initially involved in BUMDes waste management activities have chosen to leave and seek alternative employment opportunities. This high turnover of participants highlights the challenges faced by BUMDes in sustaining community involvement and leveraging local resources effectively. A lack of leadership dedication to fostering a collaborative and inclusive environment further exacerbates these challenges, ultimately hindering the potential for BUMDes to achieve long-term success and contribute meaningfully to the community's development. To address this issue, it is essential to strengthen leadership commitment and improve communication strategies to encourage consistent community participation, which is key to the sustainability of BUMDes.

#### 4.1.2. Capacity Building Initiative

A capacity building initiative is essential for empowering the community in Harjawana Village, particularly in terms of enhancing their knowledge and skills related to business management. Many residents express a desire to improve their capacity, both in understanding business operations and in acquiring practical skills. Providing targeted training or educational programs on business management can equip individuals with the necessary tools to contribute effectively to BUMDes initiatives. These programs could cover key topics such as financial management, marketing strategies, and operational efficiency, helping participants develop the skills needed to manage and sustain a successful enterprise.

In addition to business management training, counseling sessions about the benefits of BUMDes for the community are crucial. Educating the community about the long-term advantages of a thriving BUMDes, such as job creation, economic independence, and improved local infrastructure, can motivate greater participation. When individuals understand how their involvement can positively impact the village's development and their own livelihoods, they are more likely to engage and take ownership of BUMDes programs. By focusing on both knowledge enhancement and skill development, a comprehensive capacity-building initiative can foster a more capable and motivated community, ultimately leading to a more successful and sustainable BUMDes operation.

## 4.1.3. Transparency in Decision Making

Transparency in decision-making is a critical factor for fostering trust and ensuring the sustainability of BUMDes in Harjawana Village. The community has expressed a clear desire for greater transparency regarding the policies and activities of BUMDes, as they believe that openness in decision-making processes will help build a sense of ownership and accountability. While some aspects of BUMDes management have been relatively successful, there are instances where decisions appear to be made with limited community involvement, often dominated by the BUMDes administrators. This lack of inclusiveness in key decisions can lead to feelings of alienation among community members, who may perceive the management as being disconnected from the needs and aspirations of the people.

For BUMDes to be more effective, it is essential to ensure that decision-making processes are not only transparent but also participatory. This involves actively involving the community in discussions, seeking their input on important policies, and clearly communicating the rationale behind decisions. When the community feels that their voices are heard and their perspectives are valued, it can lead to higher engagement and a greater sense of responsibility. Greater transparency can also help address concerns about fairness and equity, ensuring that BUMDes activities align more closely with the collective interests of the village, thus enhancing the overall effectiveness and long-term success of the enterprise.

## 4.1.4. Sense of Ownership and Participation

A strong sense of ownership and active participation from the community is essential for ensuring the sustainability of BUMDes in Harjawana Village. When community members feel that BUMDes belongs to them, they are more likely to take an active role in both the operational activities and the decision-making processes. This sense of ownership fosters a deeper commitment to the success of the enterprise, as individuals perceive their involvement as directly linked to the well-being and development of their community. People who feel invested in BUMDes tend to be more proactive, offering their time, resources, and ideas to improve its operations.

Furthermore, when community members are involved in decision-making, they gain a greater sense of responsibility and accountability, which can lead to more effective and sustainable management. Participation in both day-to-day activities and strategic decisions also helps align the goals of BUMDes with the community's needs, creating a more responsive and adaptive organization. This collective involvement nurtures a culture of collaboration and shared purpose, which is crucial for overcoming challenges and ensuring the long-term success of BUMDes. In essence, fostering a strong sense of ownership and participation not only strengthens community ties but also significantly contributes to the overall sustainability and impact of the enterprise.

#### 4.2. Discussion

Sherry R. Arnstein (1969) provides a framework for evaluating various levels of citizen participation in decision-making, categorizing participation into three main levels: Non-Participation, Tokenism, and Citizen Power[8]. Each level reflects the degree to which citizens are involved and have influence over the decisions that affect them.

#### 4.2.1. Non-Participation (No Participation)

At this lowest level of participation, citizens have minimal involvement, and decisions are primarily made by elites or administrators without the input or involvement of the community. In the case of Harjawana Village BUMDes, several decision-making processes, particularly those related to fund management and business priorities, were carried out without community engagement. This limited involvement reflects the Non-Participation stage, where the community has little to no influence over the direction of

BUMDes activities. As a result, the lack of community involvement reduces the sense of ownership and support, ultimately hindering the long-term success and sustainability of BUMDes.

# 4.2.2. Tokenism (Symbolic Participation):

Tokenism occurs when citizens are involved in the decision-making process, but their participation is symbolic rather than substantive. In this stage, the public is given a platform to express opinions, but they lack real power to influence outcomes. In the case of Harjawana Village BUMDes, the community is sometimes invited to meetings, but the final decisions are typically made by the BUMDes management without meaningful discussion or input from the community. This type of participation creates the illusion of inclusion but does not provide citizens with an equal opportunity to make strategic decisions, thus limiting their sense of true engagement and ownership.

#### 4.2.3. Citizen Power

The highest level of participation, Citizen Power, occurs when citizens have genuine control over decision-making processes and possess real influence in shaping policies and outcomes. Although there are efforts to involve the community in Harjawana BUMDes, most of these efforts remain at the Tokenism stage, where the community's role is primarily passive, and the management retains the decision-making power. To elevate participation to the Citizen Power level, efforts must be made to increase deeper involvement, foster greater transparency, and build the community's capacity to manage BUMDes effectively. Achieving Citizen Power requires creating opportunities for the community to not only provide input but also to take control of significant decisions, ultimately leading to a more sustainable and community-driven management model.

In summary, while Harjawana BUMDes has made strides toward community involvement, much of the participation remains at the Tokenism level. To foster true citizen participation, it is necessary to enhance transparency, increase participatory opportunities, and support the community's capacity-building efforts, enabling them to take a more active and influential role in the management of BUMDes.

## 5. CONCLUSION

Community participation in the management of BUMDes in Harjawana Village is crucial for ensuring the sustainability and success of the business. While there have been efforts to involve the community in BUMDes activities, the level of participation has not yet reached an optimal or effective stage. According to Sherry Arnstein's Ladder of Citizen Participation theory, community involvement in Harjawana Village's BUMDes remains at the tokenism stage. At this stage, the community is included symbolically but lacks real power or influence over decision-making processes. For example, the community is often invited to meetings or consulted on certain matters, but decisions are ultimately made by the BUMDes administrators without significant input or control from the community.

This superficial involvement creates a sense of exclusion, as the community's role is more about providing a façade of participation than being truly engaged in shaping the direction of the enterprise. As a result, this lack of genuine involvement and ownership has contributed to the eventual discontinuation of BUMDes in Harjawana Village. The failure to move beyond tokenism highlights the importance of fostering deeper community engagement, where the people have a true stake in the decision-making processes. To ensure the long-term success of BUMDes, it is necessary to move toward higher levels of participation, such as partnership or citizen control, where the community has real influence and a more significant role in managing and sustaining the business.

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