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## IMPLEMENTATION OF VILLAGE POLICIES IN DEVELOPING VILLAGE-OWNED BUSINESS AGENCIES IN KLATEN DISTRICT CENTRAL JAVA PROVINCE

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### ABSTRACT

The phenomenon used as the object of research is the implementation of village policies in developing BUM Desa. The research objectives are: first, to analyze the implementation of village policies in developing village-owned enterprises in Klaten Regency; second, compiling a model from the results of the analysis of village policy implementation in developing Village-Owned Enterprises in Klaten Regency. This research uses qualitative research approach. The 11 research informants were determined by purposive sampling technique. Secondary data collection using literature study; primary data collection using interview techniques and observation. The discussion of the research results used descriptive analysis which was developed by using triangulation analysis by observers.

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### INTRODUCTION

The government encourages the formation of Village-Owned Enterprises (BUMDes) through the policy of distributing Village Funds, one of which is used for capital participation in the management of Village-Owned Enterprises. With the position and role of Village-Owned Enterprises which have now become very important and strategic for the achievement of development goals, and with the support of village fund allocation which reaches billions of rupiah for each Village, it is hoped that Village-Owned Enterprises will not only become reporters and at the same time drive the village economy but as well as being an institution for empowering the village community.

The effective implementation of public policies requires certain conditions. The process of implementing policy can only begin when objectives and goals which were originally general in nature have been detailed, programs of action have been designed and a certain amount of money has been allocated for realizing

these goals and objectives. This is the basic condition for the implementation of any public policy. (Grindle in Sunggo, 1994: 148). Policy implementation includes a series of activities that arose after the adoption of Grindle's (1980) state policy guidelines. The policy implementation model developed by Grindle (1980) shows that the successful implementation of the policy is determined by the content and context of the policy.

The results of the BPK RI (Financial Audit Board) examination show that of the 85 Regional Governments that were tested, as many as 61 Regional Governments or 71.76 percent had not conducted guidance on the use of Village Funds in the context of establishing BUMDes and managing BUMDes adequately. The results of examinations related to the guidance of the Government and Regional Governments on the management of BUMDes show the following problems: Business fields do not match potential; BUMDes establishment without a business feasibility analysis; Inadequate financial administration; The competence of bumdes managers is not

sufficient; BUMDes does not operate; No contribution to PAD (regional revenue).

In line with the mandate of Law Number 6 of 2014 concerning Villages, article 90 so that the government encourages the development of BUMDes and the Ministry of Health's PDTT Strategic Plan 2015-2019 regarding the target of establishing BUMDes of 50,000, as well as Permendes PDTT Number 4 of 2015, the Klaten Regency Government has issued Perda No 1 year 2018 concerning the Establishment and Management of BUMDes, as a substitute for Perda No. 21 of 2013 which is deemed inappropriate. However, until now, PerdaNo 1/2018 has not been followed up with the issuance of the Klaten Regent Regulation concerning the Implementation of the Klaten District Regulation No.1 of 2018. The Klaten Regent Regulation is still in the process of drafting a draft, it has not been discussed in the legal section, it is still out of priority with the handling of Covid and other regulations.

The Klaten Regency Government has conducted an assessment of BUMdes in 391 villages and then classified it into 4 classifications, namely basic, developing, growing and advancing, according to the format issued by the Dispermadesdukcapil of Central Java Province. The assessment carried out is based on several criteria, namely: institutional aspects, rules / legality, number of BUMDes business fields, administration and reporting, as well as capital and assets. Until 2020 the results of the BUMDes classification in Klaten District which are spread across 391 villages are as follows: Basic classification as many as 167, classification growing by 159, growing classification 21, advanced classification 10 and as many as 34 villages have not established BUMdes. So that by 2020 there have been 356 BUMdes from 391 villages. (source: Bapermas Klaten Regency, processed).

1. There are BUMdes in the process of their establishment that did not go

through the Village Conference and there are no documents, namely 24 BUMDes. Spread across 11 districts, namely Bayat, Trucuk, Kebonarum, Menisrenggo, Ceper, Pedan, Wonosari, Polanharjo, Karanganom, Kemalang and South Klaten Districts.

2. There are still BUMDes that have one business unit but are not yet operational, namely 96 BUMDes spread across 26 sub-districts, and there are also BUMDes that have more than one business unit, but only some are operating, namely 115 BUMDes spread across 23 sub-districts.
3. There are BUMdes that have not contributed to Village Original Income, namely as many as 232 BUMDes spread across 26 Districts
4. Financial Administration has not been Done / has been Done but has not been in order, of the 357 BUMDes that have been formed, 113 of the BUMdes that have not been done have Financial administration have been done but have not been orderly 26.
5. A total of 15 BUMDes do not have work programs, as many as 7 BUMDes have work programs but they are not implemented.

## METHODOLOGY

This research uses a qualitative research approach. According to Creswel. For qualitative researchers, one on one reality is built by individuals involved in the research situation with several realities that exist in certain situations. In a study of the people being investigated, qualitative researchers interpret the study, then qualitative researchers need to report each of these realities by relying on the informants' interpretations. 11 research informants were determined by purposive sampling technique. Collecting secondary data from various books and documents using library research; Primary data collection from research informants using interview and observation techniques. The

data analysis used descriptive analysis which was developed with triangulation analysis by observers. This research was conducted in Klaten Regency, Central Java Province. This is because the location of the study, among the 357 BUMDes in Klaten Regency, 96 BUMDes have one business unit but it is not yet operational and 115 BUMDes have more than one business unit but only some are operating, and there are complex disparities from the absence of BUMDes. until BUMDes advances. This means that BUMDes in Klaten Regency have not been able to make a real contribution to improving the welfare of the Village community.

## **RESULT AND DISCUSSION**

### **Policy Implementation of Village Policies in Developing BUMDes**

Conceptually, the interests that influence the implementation of BUMDes development policies are the interests of the village community related to the purpose of establishing BUMDes and the benefits of BUMDes management. The purpose of establishing BUMDes is explained in Article 3 of the Klaten Regency Regional Regulation Number 1 of 2018. With such a description of the objectives of establishing BUMDes, all villagers have an interest in influencing the process of achieving the objectives of establishing BUMDes to match their expectations. The hopes of all villagers refer to Article 89 of Law Number 6 of 2014 concerning Villages. With this benefit, all villagers have an increasingly strong interest in establishing BUMDes. But in a factual context, The interests that influence the implementation of BUMDes development policies are more likely to be strong local political interests that rest on the role of the Village Head who exofficially serves as BUMDes Advisor. This local political interest is indicated, among other things, from the placement of trusted people from the Village Head in the BUMDes management structure. Therefore, the establishment and

organization of BUMDes should be carried out in a transparent and democratic manner through village deliberations, by placing village residents who are competent and trusted by the village community to manage various businesses. For this reason, a structural approach and functional supervision are also needed to prevent and or overcome local political behavior that is not in accordance with the vision and mission of establishing BUMDes.

The types or types of benefits generated through the process of implementing BUMDes development policies include economic and social benefits. The economic and social benefits are used for business development; village development, empowerment of village communities, providing assistance to the poor through grants, social assistance, and revolving fund activities. In general, the achievement of these types of benefits has not been optimal due to a number of obstacles in developing BUMDes. Among the constraints referred to, limited human resources on the competence and commitment of BUMDes managers and limited BUMDes financial capital associated with identified capital sources are still the most dominant obstacles in developing BUMDes in Klaten Regency. Therefore,

The vision of change desired from the process of implementing the BUMDes development policy is the growing collective awareness of village communities to make BUMDes a formidable driver of the village economy. Collective awareness in question can be interpreted as a change in people's mindset from a local traditional mindset to a global rational mindset. The resilience of BUMDes as a driver of the village economy that can be built with professional and modern BUMDes governance by mobilizing as much potential and community participation is a futuristic change strategy choice. With its resilience, BUMDes is able to empower

rural communities by reducing poverty and unemployment rates. In this context, What needs to be realized is that change can occur if all parties, especially the village government and village communities, commit to and jointly promote BUMDes. For this reason, the existence of BUMDes in villages needs to be connected with a BUMDes resource development system and business network that is institutionalized in stages and extends to achieve all potential targets in all sectors and levels related to BUMDes business management.

Ideally, the location of decision making in developing BUMDes is in the position of Top BUMDes leader. But who is the top leader of BUMDes? Clarity, certainty and firmness on the organizational position of BUMDes Top leader is one of the keys to the success of BUMDes management; and vice versa. Structurally, at the operational level, the top BUMDes leader is (for example) the BUMDes Managing Director. However, this structural function is not necessarily fully applicable. Why, because normatively, a Village Head who ex officio becomes a BUMDes Advisor, might also be a BUMDes Top leader. This possibility refers to the provisions of Article 132 of Government Regulation Number 43 of 2014 regarding operational advisors and executors. The advisor as referred to is held ex-officio by the Village head. The operational executor as referred to is an individual appointed and dismissed by the Village head. With this provision, the Village Head certainly feels that it is in the interest of placing his “trusted people” in the dominant BUMDes structure. Because of that interest, the authority of the BUMDes Top leader can be firmly attached to the position of the Village Head as BUMDes Advisor. Consequently, psychologically, the location of the decision making could be in the hands of the Advisor. This is the first and foremost structural constraint identified in the implementation process of the BUMDes

Development policy. The consequences are, among others, indicated by the organizational behavior of BUMDes managers which is oriented towards the direction of the Village Head, because that is the culture of bureaucracy in Indonesia. that is, it is more oriented towards leadership and regulations, not on results. Especially in the village bureaucracy, which is still strong in adhering to a structural tradition that is based on local political interests. Therefore, various efforts are needed to guide and supervise the structure of the organizational pattern and placement of BUMDes personnel so that leadership conflicts do not occur; and efforts are also made so that the BUMDes capital system does not depend solely on the village fund allocation policy for BUMDes; but it relies more on the participation of village community capital in the management of BUMDes. various efforts are needed for structural guidance and supervision of the pattern of organizing and placing BUMDes personnel so that leadership conflicts do not occur; and efforts are also made so that the BUMDes capital system does not depend solely on the village fund allocation policy for BUMDes; but it relies more on the participation of village community capital in the management of BUMDes. various efforts are needed for structural guidance and supervision of the pattern of organizing and placing BUMDes personnel so that leadership conflicts do not occur; and efforts are also made so that the BUMDes capital system does not depend solely on the village fund allocation policy for BUMDes; but it relies more on the participation of village community capital in the management of BUMDes.

In the perspective of implementing state policy, the implementers of the BUMDes development program may consist of individuals or working groups assigned to manage BUMDes; and may also consist of public agencies or organizations that have the function of

fostering, developing, supervising the establishment and management of BUMDes. With such coverage, structurally and functionally the performance of program implementers (Program Implementers) is very important and determines the effectiveness of implementing BUMDes development policies. With such a view, it is identified that the performance of the program implementers in developing BUMDes in Klaten Regency has not been optimal. It is revealed that among the 357 BUMDes that have been established in 2019, some still have business units, and even if they do exist, they are not operating. Even though the Klaten Regency Government has issued Klaten Regency Regional Regulation No.1 of 2018 concerning the Establishment and Management of BUMDes, the performance of implementing the BUMDes development program in Klaten Regency which consists of 391 Villages is still not optimal. The performance of the implementation of the BUMDes development program has not been optimal due to limited human resources and limited financial resources. Therefore, various efforts are needed to increase support for human resources and financial resources to effectively implement various structural programs for fostering, developing and monitoring the performance of resource management BUMDes and various functional programs to increase the institutional capacity of BUMDes in carrying out various business activities.

Commitment of Resources at the structural level to the development of BUMDes in the Regency is quite optimal. This is actualized, among others, with the issuance of Government Regulation Number 43 of 2014 concerning Implementation of Law Number 6 of 2014 concerning Villages and Regional Regulation of Klaten Regency Number 1 of 2018 concerning the Establishment and Management of BUMDes. This formal legality support is certainly the basis for

structural officials of the government bureaucracy to formulate and implement various policies, programs and activities for the development, development and supervision of BUMDes management. One indicator of resource commitment at the structural level that has been running at the operational level is the policy of allocating village funds for BUMDes initial capital. However, at the operational level at the Village level, commitment to developing BUMDes resources in the district has not been optimal. The resource commitment in question is the seriousness of contributing and participating by stakeholders in the development of BUMDes. This is partly due to the limited human resources for BUMDes managers and the social resources of the Village community. As a result, among the 357 BUMDes from 391 Villages that have been established since 2019, there are still those that do not have a business unit, and even if they do exist, they are not operating. Therefore, various efforts are needed to increase support for the quantity and quality of resources by expanding the potential involvement and participation of village communities in the development of BUMDes so that gradually and sustainably the BUMDes can become an economic driver and empowerment of the Village community. The resource commitment in question is the seriousness of contributing and participating by stakeholders in the development of BUMDes. This is partly due to the limited human resources for BUMDes managers and the social resources of the Village community. As a result, among the 357 BUMDes from 391 villages that have been established since 2019, there are still those who do not have a business unit, and even if they do exist, they are not operating. Therefore, various efforts are needed to increase support for the quantity and quality of resources by expanding the potential involvement and participation of village communities in the development of BUMDes so that gradually and sustainably the BUMDes can become an economic

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Meanwhile, the structured authority of stakeholders in BUMDes is not yet firm; and tends to be confused because of the community capital participation policy and the position of the Village Head who is exofficio as BUMDes Advisor. With an unclear authority structure, the managerial accountability of the stakeholders directly involved in the management of BUMDes is less clear. In such circumstances, each party directly involved in the management of BUMDes carries out its own strategy to fulfill its interests. As a result of the unclear authority structure of the stakeholders; unclear managerial accountability of stakeholders directly involved; and the performance of BUMDes management which is influenced by a strategy only to fulfill its own interests, among others, BUMDes business units are not running as they should; and the trust of the Village community in the performance of BUMDes tends to weaken. Therefore, an effort is needed to structure the structure of authority and the involvement of stakeholders that is firmer, so that the development of the organizational culture and organizational behavior of BUMDes is more compact and

effective in driving the economy and empowering the Village community.

The main structure of BUMDes consists of Advisors, Operational Implementers, and Supervisors. However, the BUMDes Organizational Form may consist of business units that are legal entities. The business unit in question is a business institution whose share ownership comes from BUMDes and the community. Business institutions whose share ownership comes from BUMDes and the community is the result of the development of BUMDes business units or a series of business diversification. BUMDes management requires socialization and learning steps. The socialization and learning steps include how to run a social business and a rental business; and how to make a feasibility analysis for BUMDes businesses that are oriented towards intermediary businesses, joint ventures, social businesses, financial and trade businesses, rental business. Development of strategic partnership cooperation in the form of BUMDes cooperation between villages or cooperation with the private sector, donor agencies; and business diversification that is oriented towards financial business and joint ventures are strategic alliance options needed by BUMDes to anticipate business competition. BUMDes socialization and learning steps are needed because BUMDes management is still conventional and still behaves as a sub-ordinate of other economic institutions. Therefore, a focused and integrated socialization and learning effort is needed to increase the institutional capacity of BUM Desa and the professionalism of BUMDes managers in developing various types of businesses. and business diversification that is oriented towards financial business and joint ventures are strategic alliance options needed by BUMDes to anticipate business competition. BUMDes socialization and learning steps are needed because BUMDes management is still conventional and still behaves as a sub-ordinate of other

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BUMDes managers respond to complaints arising from the strategic environment of the business they manage. The response referred to is in accordance with the company's strategic environmental conditions which directly affect the performance of BUMDes. The response can be in the form of policies, actions or taking a share of responsibility for environmental conditions that require

BUMDes Corporate Social Responsibility (CSR). BUMDes managers must be able to see business opportunities by trying to take advantage of information technology. It must have responsibility for the strategic environment, as is currently the case, that BUMDes must have alternatives to try to exist and survive in the covid-19 pandemic situation. Therefore,

From the analysis of the implementation of the BUMDes Development policy that uses nine parameters of the successful implementation of the Grindle public policy, a factual picture of the implementation is obtained as follows:

1. The interests that influence the implementation of BUMDes development policies are the interests of the village community related to the purpose of establishing BUMDes and the benefits of BUMDes management.
2. The types or types of benefits generated through the process of implementing BUMDes development policies include economic and social benefits.
3. The vision of change desired from the process of implementing BUMDes development policies is the growth of collective awareness of village communities to make BUMDes a driving force for the economy and empowerment of village communities.
4. Structurally, at the operational level, the top leader of the BUMDes is the President Director of BUMDes. However, this is not necessarily true, because normatively, the Village Head who exofficially becomes a BUMDes Advisor, can also be the Top BUMDes leader. This possibility refers to the provisions of Article 132 of Government Regulation Number 43 of 2014 which, among other things, states that operational executors are

- individuals who are appointed and terminated by the village head.
5. In the perspective of implementing state policy, the implementers of the BUMDes development program can consist of individuals or working groups assigned to manage BUMDes; and may also consist of public agencies or organizations that have the function of fostering, developing, supervising the establishment and management of BUMDes.
  6. Commitment to Resources at the structural level is optimal. This is actualized, among other things, with the issuance of Government Regulation Number 43 of 2014 and Perda Klaten Regency Number 1 of 2018. One indicator of resource commitment at the structural level that has been running is the policy of allocating village funds for BUMDes initial capital.
  7. Meanwhile, the structured authority of stakeholders in BUMDes is not yet firm; and tends to be confused due to the policy of community capital inclusion and the position of the Village Head who is exofficially as a BUMDes Advisor.
  8. The main structure of BUMDes consists of Advisors, Operational Implementers, and Supervisors. However, the BUMDes Organizational Form may consist of business units that are legal entities. The business unit in question is a business institution whose share ownership comes from BUMDes and the community.
  9. BUMDes managers respond to complaints arising from the strategic environment of the business they manage. The response referred to is in accordance with the strategic environmental conditions of the

company which directly affect the performance of BUMDes. That response can be in the form of policies, actions or taking a share of responsibility for environmental conditions that require BUMDes' Corporate Social Responsibility (CSR).

### **Ideal Model of Village Policy Implementation in BUMDes Development**

The model that can be compiled from the results of the analysis of BUMDes Development Policy Implementation in Klaten Regency is the Bumdes Development Program Implementation Model with the definition: The Bumdes Development Program Implementation Model is the institutionalization of the BUMDes Resource Development System and Business Network which includes the Bumdes Development Program Structure; Bumdes Development Program Resources; and Implementation of the Bumdes Development Program. The definition of this model includes three dimensions of development: (1) Structure of the Bumdes Development Program; (2) Resources for the Bumdes Development Program; and (3) Implementation of the Bumdes Development Program. The description of the Bumdes Development Program Implementation Model is as follows:

Structure of the Bumdes Development Program: The program structure in implementing BUMDes Development policies consists of two types of programs, namely the following Structural Programs and Functional Programs:

Structural Program can be defined as a series of activities that are structured and implemented in stages and are related according to the structural function of each

Ministry / Institution and Regional Work Units related to the establishment performance and management performance of BUMDes. The objective of implementing the structural program is to build the institutional capacity of BUMDes to be able to drive the economy and empower the Village community by creating a conducive BUMDes business environment. The Structural Program that accompanies the implementation of the BUMDes Development policy is a program of guidance, monitoring and evaluation of the performance of business management and the performance of human resources in managing BUMDes. This program is an elaboration of regional policies in providing guidance, monitoring and evaluation of the establishment and management of BUMDes. In implementing the policy of guidance, monitoring and evaluation, the Regional Head may form a Coordination Team for Development, Monitoring and Evaluation consisting of officials from the relevant Regional Work Units. With this policy, the Coordination Team and the Regional Apparatus Work Unit which has the functional task of fostering and developing BUMDes plan and implement structural programs related to the establishment and management of BUMDes. This structural program is a supporting factor that functions to strengthen the institutional capacity of BUMDes. So that all BUMDes in one sub-district or district get a touch of this structural program, it is deemed necessary to institutionalize a BUMDes resource development system and business network at the sub-district or district level, and if necessary up to the provincial level. The institutionalization of such a development system is deemed necessary to accompany the implementation of the BUMDes development functional program.

Functional Programs can be defined as a series of business activities planned and carried out by BUMDes, by a number of BUMDes, or BUMDes with other economic actors according to the economic function and social function of the business activity. Functional Programs that are included in the development of BUMDes business units include: Service Business Unit Program that provides public services to rural communities to gain financial benefits and absorb labor. The Service Business Unit referred to includes, among others, village drinking water services; village electricity services; village cleaning services; village granary service; wedding decoration and make-up services; transportation services; vehicle parking services; courses and workshops; physical fitness services; alternative medicine services; and other types of public services that can be managed by BUMDes business units. Productive Economic Business Unit (UEP) program that provides resources and opportunities for rural communities to gain economic benefits (income) and social benefits (employment). The Economic Business Unit in question includes a grocery store; culinary stalls; beauty salon; workshop; electronic services, computer rental, home industry; creative industry; management of village tourism objects; appropriate technology agriculture; appropriate technology farming; and other economically productive businesses that can be managed by BUMDes business funds. The Joint Business Group Program (KUBE) which provides resources and opportunities for rural business groups to gain more economic benefits (income) and social benefits (labor absorption) from Productive Economical Enterprises. The Joint Business Group in question includes, among other things, the goods and services industry business group; goods and

services trading business group; business group for promotion and distribution of staple goods; business groups providing business capital networks; cultural arts performance group; and other business groups that can be managed by BUMDes. business group for promotion and distribution of staple goods; business groups providing business capital networks; cultural arts performance group; and other business groups that can be managed by BUMDes. business group for promotion and distribution of staple goods; business groups providing business capital networks; cultural arts performance group; and other business groups that can be managed by BUMDes.

Resources for the Bumdes Development Program: The BUMDes managerial problem that plays a strategic role as a driving force for the economy and empowerment of the Village community lies in the performance of BUMDes resources. The performance of BUMDes resources that is meant is the process and results of the management of all BUMDes administrative resources. The BUMDes administrative resources include human resources (man), financing resources (money), infrastructure facilities (material) resources, policy resources (methods), technology resources (machines) and public resources (market). Human resources consist of individual resources and social resources. Individual resources assigned to manage BUMDes should be based on competency assessments and commitments relevant to the assigned position or job. Social resources that become BUMDes' social capital should be based on a social approach that strengthens people's trust in BUMDes. Financing resources consist of business financing and social financing. Business financing is the company's financial management which is processed according to the principles of

corporate financial governance; and social financing is CSR management which is processed for the purpose of empowering the Village community. These financing resources should be processed in a transparent, effective, efficient and accountable manner by using electronic budgeting; and entrusted to someone who is trustworthy and competent. Infrastructure resources consist of work fittings and performance facilities. Work fittings include office work equipment, office work equipment, and office work materials. Performance facilities include buildings, water networks, electricity networks, and communication networks. These infrastructure facilities resources should be recorded and maintained by implementing a goods management system. Policy resources consist of laws and regulations and management regulations which form the legality and legal basis for the establishment and management of BUMDes and business units. Technological resources include internet networks and communication facilities as well as various applied technologies to manage businesses. Public resources that include the social environment, economic environment, and the environment or natural resources. Policy resources consist of laws and regulations and management regulations which are the legality and legal basis for the establishment and management of BUMDes and business units. Technological resources include internet networks and communication facilities as well as various applied technologies for managing businesses. Public resources that include the social environment, economic environment, and the environment or natural resources. Policy resources consist of laws and regulations and management regulations which form the legality and legal basis for the establishment and

management of BUMDes and business units. Technological resources include internet networks and communication facilities as well as various applied technologies for managing businesses. Public resources that include the social environment, economic environment, and the environment or natural resources.

Implementation of the Bumdes Development Program: The implementation of the Bumdes development program is a series of business management activities for a Bumdes or a number of Bumdes which are carried out in an organized, coordinated and connected manner productively and efficiently in a single integrated resource development system and Bumdes business network. The performance of Bumdes may consist of managing various types of businesses according to the development, needs and capabilities of each Bumdes. Collaboration between Bumdes or between Bumdes and other economic actors may consist of a number of business units managed jointly on a local scale or on a wider scale. Business units that are managed synergistically constitute an effort to develop a strategic partnership alliance between Bumdes or between Bumdes and other economic actors. The development of strategic partnership alliances is intended as a diversified series of businesses that are oriented towards advancement and mutual business benefits. For this reason, the strategy for implementing the Bumdes development program should be carried out in a patterned, integrated, gradual and sustainable manner by applying a Business Feasibility Analysis for certain types of

BahrullahAkbar, 2014, BUMN and People's Welfare, State Heritage  
Creswel, John. W. 1994. Research Design Qualitative & Quantitative Approaches. Sage Publication: New Delhi

businesses that absorb large amounts of capital and labor.

## CONCLUSION

The implementation of the BUMDes Development policy in Klaten Regency is made clear by the issuance of the Klaten Regency Regional Regulation No.1 of 2018 concerning the Establishment and Management of BUMDes which consists of 391 Villages and 10 Kelurahan is still not optimal, due to a number of obstacles. Among the constraints referred to, the absence of the District Regulation on the implementation of Regional Regulation No.1 of 2018, limited human resources for BUMDes managers and limited BUMDes' financial capital were identified as the most dominant obstacles in developing BUMDes in Klaten Regency. To overcome these obstacles, a Bumdes Development Program Implementation Model can be applied with the following definitions: The Bumdes Development Program Implementation Model is the institutionalization of the BUMDes Resource Development System and Business Network which includes the Structure of the Bumdes Development Program; Bumdes Development Program Resources; and Implementation of the Bumdes Development Program. The definition of this model includes three development dimensions: (1) Structure of the Bumdes Development Program; (2) Resources for Bumdes Development Program; and (3) Implementation of the Bumdes Development Program.

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