

## Strengthening the Capacity of Village Community Institutions through Village-Owned Enterprises in Sumbermulyo Village Bantul, Yogyakarta

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### **Abstract**

*The success of village-owned enterprises management cannot be separated from the quality of the performance and leadership of a village head. The more village-owned enterprises can develop rapidly, then there is the role and contribution of the Village Head as a catalyst for strengthening village community institutions. The purpose of this article is to provide an analysis related to how to strengthen village community institutions. Related to the focus of this research, namely the case of village-owned enterprises in Sumbermulyo Village, because the Village Head of Sumbermulyo has repeatedly been named the best Lurah in Yogyakarta, so whether this is in line with the development of village-owned enterprises in the village. The method used in this study uses a descriptive qualitative approach. Data collection techniques in this study used interview, observation, and documentation techniques. Processing research data using the stages of data presentation, verification, and drawing conclusions. The results of the study show that the management of the Sumbermulyo village-owned enterprises has not been able to run effectively and still encounters obstacles so that it is still far from being successful. This is related to strengthening the capacity of village governance which is still minimal so that further direction is needed. But on the other hand, independent innovations outside village-owned enterprises have also been found which are much more successful in their management, so that this can also be a means to form and revitalize village-owned enterprises so that their existence can be in line with village progress.*

**Keywords:** Village Community Institutions; Capacity Building ; Village-Owned Enterprises

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## Abstrak

Keberhasilan pengelolaan BUMDes tidak lepas dari kualitas kinerja dan kepemimpinan suatu Kepala Desa. Semakin BUMDes dapat berkembang pesat, maka ada peran dan kontribusi Kepala Desa sebagai katalisator terhadap penguatan lembaga kemasyarakatan desa. Tujuan artikel ini untuk memberikan analisa terkait bagaimana penguatan lembaga kemasyarakatan desa dalam konsep tata kelola pemerintah desa. Terkait dalam fokus penelitian ini yakni pada kasus BUMDes Desa Sumbermulyo Bambanglipuro Bantul karena Kepala Desa Sumbermulyo berulang kali dinobatkan sebagai lurah terbaik di D.I. Yogyakarta, sehingga apakah hal tersebut selaras dengan pengembangan BUMDes di desa tersebut. Metode yang digunakan dalam penelitian ini menggunakan pendekatan kualitatif deskriptif. Teknik pengumpulan data dalam penelitian ini menggunakan teknik wawancara, observasi, dan dokumentasi. Pengolahan data penelitian menggunakan tahapan penyajian data, verifikasi, dan penarikan kesimpulan. Hasil penelitian menunjukkan jika tata kelola BUMDes Sumbermulyo belum bisa berjalan efektif dan masih menemui hambatan-hambatan sehingga masih jauh dikatakan berhasil. Hal ini berkaitan dengan penguatan kapasitas tata kelola desa yang masih minim sehingga perlu pengarahannya lebih jauh. Namun di sisi lain juga ditemukan inovasi mandiri di luar BUMDes yang jauh lebih sukses dalam tata kelolanya sehingga ini juga bisa menjadi sarana untuk membentuk dan merevitalisasi BUMDes agar eksistensinya bisa selaras dengan kemajuan desa.

**Kata kunci:** Lembaga Kemasyarakatan Desa; Penguatan Kapasitas; BUMDes

## INTRODUCTION

The village is a micro government unit of the state institution that is closest to the community and is directly linked to the life of the community. According to the Village Law (Law Number 6 of 2014) Villages are legal community units that have territorial boundaries, which are authorized to regulate and manage government affairs, the interests of local communities based on community initiatives, rights of origin, and / or recognized traditional rights and respected in the government system of the Unitary State of the Republic of Indonesia (NKRI). The village as the smallest structure in state institutions is obliged to carry out both physical development and human resource

development, as an effort to improve the quality of life and life for the maximum welfare of the village community.

Law Number 6 of 2014 concerning Villages provides hope as well as new challenges for the village. However, after the fall of the New

Order, the issuance of this regulation gave emphasis to the village to become an independent entity so that the village could regulate its people evenly, prosperously and fairly (Ridlwani, 2014).

Through this regulation, the community is also given space to participate in building village economic independence, namely the existence of village community institutions, for

example through village-owned enterprises.

According to the Regulation of the Minister of Villages, Developers of Disadvantaged Areas, and Transmigration Number 4 of 2015 in article 3 the objectives of establishing Bumdes are to improve the village economy, optimize village assets to be useful for village welfare, increase community efforts in managing village economic potential, develop inter-village cooperation plans or third parties, create market opportunities and networks that support the public service needs of citizens, create employment opportunities, improve community welfare through improved public services, growth and equity in the village economy, and increase village community income and village income. In addition, the existence of this village-owned enterprises is to make the village more independent. However, to achieve this requires serious assistance from either the local government or academics (Agunggunanto et al, 2016).

The Regulation of the Minister of Home Affairs emphasizes that villages through village-owned enterprises can develop their potential because the regulatory space has provided them massively. Many villages have become developed and prosperous economically due to their success through the village-owned enterprises they manage. And usually village-owned enterprises manages a tourist attraction as the main basis for increasing income. Even tourism becomes a breaking force to change patterns of thought, action,

social so that people are moved as tourism actors (Prastyo and Irwanto, 2018).

This is reflected, for example, in the village-owned enterprises Unggul Ponggok Klaten which is the best village-owned enterprises in Indonesia with income reaching billions of rupiah. Even based on research conducted by Triada, Darmawan, and Sukawi (2017), it shows that if the tourism sector alone is able to reach village-owned enterprises in Unggul Ponggok Klaten in 2016, it reaches nearly 50,000 tourists. This success will certainly improve the village economy and even the communities around tourist attractions will also have an impact on their economic level. Therefore, reflecting on this, not all village-owned enterprises can successfully survive because it depends on how and strategies to manage them. One village-owned enterprises that is still not developing is for example in Bantul Regency, in this case village-owned enterprises Sumbermulyo.

Meanwhile in Bantul itself places village-owned enterprises as an important village community forum. According to the Bantul Regional Regulation No.3 of 2016 on village-owned enterprises, it is stated that the establishment of village-owned enterprises is intended as an effort to accommodate all activities in the economic sector and / or public services managed by villages and / or cooperation between villages. The purpose of establishing village-owned enterprises is to improve the village economy, increase community efforts in

managing the economic potential of the village, optimize village assets to be useful for village welfare, develop business cooperation plans between villages and / or with third parties, create opportunities and market networks that support the public service needs of residents, open employment opportunities, improve community welfare through improved public services, growth and village economic equality.

The success of the majority of village-owned enterprises is almost certainly inseparable from the village head's strategy in strengthening village community institutions. The more advanced and rapidly developing a village-owned enterprises, it will automatically show the quality track record of the village head's performance. Departing from the description above, the novelty of this research is to describe the climate health of the Sumbermulyo village-owned enterprises under the leadership of the best lurah in D.I. Yogyakarta. This is based on a hypothesis that the leadership of the village head in Sumbermulyo has no significant effect on the progress of the Sumbermulyo village-owned enterprises.

## **METHODS**

This study uses a descriptive qualitative approach. According to Bungin (in Wulandari et al. 2017:67) states that the qualitative descriptive method is the researcher trying to reconstruct or describe the results of interviews in depth to the target to be

studied or the object of research. Descriptive qualitative methods are in the form of qualitative strands that can produce descriptive data and can be in the form of words or even in the form of writing from the actors and observed behavior. The approach used in this study is a qualitative approach. Data collection uses primary and secondary data where primary data is collected through interview documentation, and direct observation. while secondary data were traced from other literature. At least some important informants in this study. The researcher interviewed Mrs. Ani Widayani as Village Head of Sumbermulyo Village, Mr. Suratno as Head of village-owned enterprises Waste Management Unit, and Mr. Surat Nugraha as Treasurer of village-owned enterprises Sumbermulyo.

## **RESULT AND DISCUSSION**

Sumbermulyo Village is one of the villages in Bambanglipuro District, Bantul Regency. Administratively, it has a total area of 819.9320 hectares. The area of Sumbermulyo Village is 36% of the total area of the Bambanglipuro sub-district which has an area of 2,282 hectares (Sumbermulyo government, 2020). Sumbermulyo Village is a lowland area, with an elevation of the land above sea level of 7.25 meters and the amount of rainfall of 2,500 mm / year. While the slope of the land is 0-2%. Looking at the topography, Sumbermulyo Village can be said to have land suitable for agriculture.



## **B. Optimizing Village Assets to be useful for Village Welfare**

The existence of village-owned enterprises is basically also a catalyst to maximize village assets to create welfare rather than the community (Eikman and Vinizia, 2020). Optimizing village assets to be useful for the welfare of the Village in village-owned enterprises Sumbermulyo, can be seen from the assets owned by Sumbermulyo Village which are leased and can be used by the wider community, especially the Sumbermulyo village community. In addition, each village apparatus gets cultivated land as long as the apparatus serves as village apparatus in Sumbermulyo Village. After they retire, they will get one-eighth (1/8) of the cultivated land they managed during their tenure as village officials. This is part of asset management in order to stimulate the performance of village officials.

In addition to this, the existence of the Embung Merdeka which has now been acquired by the Sumbermulyo Village Government has become a village asset and is managed by village-owned enterprises. Even now the embung has become a tourist spot so that there are additional village assets related to the Embung Merdeka. Apart from that, for example, leasing has also optimized the problem of village assets. In fact, because of its strength in utilizing village assets, the meeting building at the Village Hall is also a rental asset. One day renting the building is Rp. 300,000.00 and usually this is very useful because the village-owned

enterprises itself has provided the tools and contents. Usually rented when there are weddings and other events that are needed. The existence of rental and tourism villages is a form and commitment of village-owned enterprises to increase village assets in improving the welfare of the community in Sumbermulyo.

## **C. Increasing Community Business in Managing Village Economic Potentials**

In increasing community efforts in managing potential in Sumbermulyo Village, currently it has managed a sector including tourism villages, and village asset rental. Based on the research that has been done, currently Sumbermulyo Tourism Village itself includes Embung Merdeka, Ganjuran Temple Tourism. The role of village-owned enterprises Sumbermulyo Mandiri itself in increasing community efforts in managing the potential of the village itself already exists. However, until now the Sumbermulyo Mandiri village-owned enterprises has only been able to optimize the potential of a tourism village related to Embung Merdeka. Regarding the tourism of the Ganjuran temple and the village of wine at this time it cannot be optimized because there are problems that are being faced. In addition to tourism villages, village-owned enterprises Sumbermulyo Mandiri is currently being developed, namely solid waste management. Although not long ago, village-owned enterprises Sumbermulyo is currently pioneering

solid waste management in Sumbermulyo Village with plans for a comparative study at village-owned enterprises Panggung Lestari Sewon Bantul. This is because solid waste management at village-owned enterprises Panggung Lestari is very successful, while in Sumbermulyo there is potential to imitate this.

In addition, businesses that are also considered to have the potential to increase community businesses are by establishing catering. For now the catering business is still managed by the village-owned enterprises and has not involved the community, because this business is still new and requires a deeper study. Therefore, this is still basic, so it has not gone well in the management concept of village-owned enterprises.

#### **D. Develop Business Cooperation Plans Between Villages and / or with Third Parties**

Developing networks with other parties is the key to success in managing village-owned enterprises (Lumintang and Waani, 2019). Developing a plan for business cooperation between villages and / or with third parties, village-owned enterprises Sumbermulyo seeks to carry out cooperation by conducting comparative studies to villages with village-owned enterprises that are considered advanced, so that Sumbermulyo village-owned enterprises can emulate these advanced village-owned enterprises. However, the realization is still hindered at a great cost.

The cooperation that has been carried out in village-owned enterprises is related to the problem of kiosk rental. There are several kiosks that are rented by the village-owned enterprises themselves to the community or from outside as partners. Currently, village-owned enterprises Sumbermulyo Mandiri is also in developing inter-village businesses that will collaborate with the village of Panggungharjo Sewon Bantul, especially in the field of solid waste. Village-owned enterprises Panggung Lestari Sewon Bantul is considered successful in waste management so that this collaboration can also increase efforts in the waste management sector in Sumbermulyo Village independently. In addition, village-owned enterprises Sumbermulyo Mandiri will also collaborate with Plumbungan Hamlet to create a wine tourism village, not just a village.

#### **E. Creating market opportunities and networks that support citizens' public service needs**

Basically, the existence of village-owned enterprises is also an opportunity to create a market network so that it has a wider scope in serving its citizens (Negoro, 2018). Sumbermulyo Village carried out opportunities and market networks that supported public service needs, created opportunities and market networks by renting out the needs needed by the community such as meeting halls, catering and other equipment for weddings. This fulfillment is done by looking at the

potential of the surrounding community in meeting these needs. In this case, for the future plan, village-owned enterprises has a target to be able to empower its people in the economic sector, because currently the market potential is still wide open and cannot reach the community. This means that there is still a lot of work for village-owned enterprises Sumbermulyo Mandiri in empowering people to become economically independent communities. Internally, this village-owned enterprises is still at an ongoing stage so it has not been able to create an external network in developing it. This is because there are still internal obstacles that are faced, so that it is still difficult to realize it to the market network.

#### **F. Opening up Jobs**

Village-owned enterprises is not yet beneficial to the community because only a few local residents are village-owned enterprises employees (Anggraeni, 2017). This means that an effective village-owned enterprises must indeed be a forum that can absorb labor in a village. In Sumbermulyo village itself, the majority of village-owned enterprises employees come from hamlets outside the village-owned enterprises location. The managers of village-owned enterprises are also mostly civil servants whose main function is the village-owned enterprises pamong. However, this village-owned enterprises still makes efforts to provide employment opportunities, such as when renting a

parking lot for temple visitors, they can collect rates with a profit sharing system with village-owned enterprises.

Village-owned enterprises is currently scheduling evenly in 16 hamlets in Sumbermulyo village in the management of a tourist village, namely Embung Merdeka. Each hamlet is given the opportunity to collect tourism retribution which later will have a major influence on the income of each of these hamlets. In addition, there is an independent embung tour, people who are initially unemployed can sell there. This is the contribution of village-owned enterprises itself, even though it is still a small part, but it can already employ and empower the community, right? In the future, village-owned enterprises will be more aggressive in making optimal potential and assets that lead to creating jobs.

#### **G. Community Welfare**

In principle, village-owned enterprises must be able to provide better changes, more precisely in their social economic aspects (Sabilla and Seyawan, 2018). The Sumbermulyo village-owned enterprises itself has not provided real benefits to the community, especially if it is related to welfare. This is because the village-owned enterprises does not yet have an advantage. Residents say there are no facilities from village-owned enterprises that support the welfare of residents, village-owned enterprises has no income that can be used to provide funds for activities carried out by the community. However, with the program



plan designed by village-owned enterprises Sumbermulyo, it is hoped that this goal can be implemented immediately. This is because currently there are still conflicts that are so complex within the Sumbermulyo village-owned enterprises itself, because there is no awareness that welfare can be achieved with synergy from various parties.

#### H. Increase the income of the Village community and Village Original Income

The main key to the success of village-owned enterprises lies in how a village-owned enterprises is managed and leads to the appointment of village original income in an area (Dewi, 2014). Increasing the income of the Village community and Village Original Income, with the management of the Embung Merdeka tourist spot, it is hoped that it can open new jobs such as the community can sell around the embung, besides that it can also increase the original income of the Sumbermulyo village itself. All participants interviewed in this study said that village-owned enterprises Sumbermulyo Mandiri had not provided real benefits to the community, especially if it was related to welfare.

This contribution to Village Original Income from village-owned enterprises Sumbermulyo has not been well realized. This is confirmed by the existence of village-owned enterprises which is still relatively new, which was founded in 2013. And to be optimal and successful, it will take a long time, not

just standing right away, and this is in process. The problem of the Embung Merdeka, for example, we will schedule the 16 padukuhan in turn. The results go to each hamlet of their respective retribution and some are included in village-owned enterprises and some of it goes to the padukuhan funds so that the village original income cannot be done.

**Table 4.** Potential Map and Planning of the Sumbermulyo Area

LAND		RESIDENT LAND		
Pelunggu h/Bengkok Land	56.80 35 Ha	Fields		390.4350 Ha
Ground the Village Treasury	37.87 74 Ha	Yard/Moor		251.1250 Ha
ALLOTMENT		VILLAGE INCOME PLAN		
Road	6.679 5 Ha	Land Village	Rent Cash	Rp. 1.225.627 .380,00
Fields	496.4 275 Ha	Village Land Compensation	Cash	Rp. 30.153.75 0,00
Housing	264.4 415 Ha	Village Rental	Kiosk	Rp. 17.500.00 0,00
Grave	5.537 5 Ha	Village Building Rental		Rp.1.000. 000,00

River	46.84	Village	Field	Rp.
	60 Ha	Rental		2000.000,00
Office	13.45	Office		Rp.
	4510	Equipment		2.000.000,00
	Ha			

Source: RKPDes Sumbermulyo, 2018

The data above shows that the potential of the village in Sumbermulyo village is very large. The leasing sector of land resources, if managed properly, can contribute to PAD while increasing the village's economy. but the wealth of these resources is only an untapped potential so that with all its limitations, village-owned enterprises cannot develop properly.

#### I. The obstacles experienced by village-owned enterprises Sumbermulyo Mandiri

One of the fundamental things in the operational constraints of village-owned enterprises in various studies is indicated by the budget factor (Nugroho, 2020). This is commonly known because without sufficient finance a program can be hampered. Every effort, there must be obstacles that must be faced, this is no exception by this Sumbermulyo Mandiri village-owned enterprise. To be able to survive, there must be obstacles and challenges that must be overcome. Related to the problems and obstacles faced by village-owned enterprises Sumbermulyo Mandiri are internal problems of village-owned enterprises where there are still management conflicts between the old

management and the new management. Where the old management felt unwilling if their authority was given to the new management. Therefore, it needs serious assistance from the Regional Government so that village-owned enterprises operations can run well (Juwita & Pancaningrum, 2018).

However, this seems to be an interesting thing from the Sumbermulyo village-owned enterprises case itself. Where the fundamental obstacle is the existence of a village-owned enterprises management conflict between the old and the new administrators. This was confirmed by the source during an interview at the Sumbermulyo Village Hall with the research team. Of course this will greatly affect the performance of village-owned enterprises going forward.

#### J. The innovation that will be developed by BUMDes Sumbermulyo Mandiri

Bantul Regency has an innovative tourism village, Embung Merdeka, precisely located in Sumbermulyo Village. As the name implies, at the Embung Merdeka, it was originally the joint property of the Sumbermulyo residents. The residents are free and free to manage the embung, but after they become village-owned enterprises assets, the management of the Embung Merdekais in the hands of the Village Government. The decision regarding the use of the Embung Merdeka really depends on the decision of the village government.

Currently the concept is in the form of a Embung Merdeka tourism village. In its management, the Embung Merdeka tourism village rotates all or 16 existing hamlets, in this case the youth organization to collect retribution. From these results, it will be divided into two, namely for the village-owned enterprises itself and the youth organization. In accordance with the instructions of the village government, all residents in Sumbermulyo, including the village government, community members, village-owned enterprises, all have the same rights to care for and protect Embung Merdeka.

In addition, Sumbermulyo Village is able to develop urban-based agro-tourism. There are 140 houses, half of them are already cultivating grapes or *Vitis Vinivera*. They are determined to continue to develop and cultivate this plant so that Indonesia will no longer import grapes. The grapes planted by Plumbungan residents, not ordinary grapes, are included in the ministerial document. In the village innovation, the Ministry of Villages, Development of Disadvantaged Regions and Transmigration, the grapes in the village are included in the Ninel variety, which is said to be originally from Ukraine. This type of wine has many advantages, one of which is easy to care for and resistant to disease.

In addition, the Ninel grape variety is seasonless, and can bear fruit every year. Another plus, this type of wine has a very sweet taste. Even the level of sweetness can reach 22 Brix, almost equivalent to sugar which is at 24

Brix. Besides being able to enjoy sweet grapes, Plumbungan villagers also provide grape seeds. So tourists who come and are interested in cultivating at home, can buy and practice. One seed ready for planting costs around 120 thousand rupiah. Access to four-wheeled and two-wheeled vehicles with a distance of approximately 18 kilometers or about 40 minutes. The route that is followed can pass the Parangtritis road or the Bantul road. You can also pass the Ganjuran road, then enter the Plumbungan hamlet. Village-owned enterprises Sumbermulyo Mandiri will later develop the village into a wine tourism village, not just one village, but all villages are the targets of this village-owned enterprises.

But unfortunately this innovation is personal and the village head wants to partner with the owner of this tour and is rejected. Because it is prospective and promising this tour but we will continue to communicate with the village of Anggur for innovation, Sumbermulyo Village as a tourist village in the village of Grapes in 16 hamlets. Besides that, the old innovation was the problem with Embung Merdeka. Financially, the Embung Merdeka has not provided benefits to the community, but from the agricultural side, it is useful for irrigating rice fields and reducing conflicts due to water.

This Embung Merdeka is also useful for providing clean water and also reducing rat pests. Initially this embung was joint property of the Sumbermulyo residents. The residents are free and free to manage the Embung Merdeka,

but after they become village-owned enterprises assets, the management of the Embung Merdeka is in the hands of the Village Government. The decision regarding the use of the Embung Merdeka really depends on the decision of the village government. And finally the Embung Merdeka which was once a source of conflict is now packaged in the form of a tourist spot where development will begin.

The existence of a village-owned enterprise owned by Sumbermulyo Mandiri has not been able to move dynamically. This is because in terms of strengthening the institutional capacity of the village-owned enterprises themselves, it is still minimal. This condition makes it difficult for the village-owned enterprise of Sumbermulyo Mandiri to develop properly. Basically, village-owned enterprises are not only required to increase the village's original income, but also must provide benefits to local communities as a social mission (Junita et al., 2020). This means that village-owned enterprises play a dual role in addition to providing income for the village as well as driving the social economy of the community. The reality that occurs from the village-owned enterprise Sumbermulyo Mandiri can be said to have not been able to increase the village's original income. Even the financial modalities for the development of village-owned enterprises owned by Sumbermulyo Mandiri are still adrift. Moreover, it is required to provide benefits to local communities. Conceptually, in order for

a village-owned enterprise to develop properly, it must resolve its internal problems. This includes governance of village-owned enterprises themselves and ensuring that village-owned enterprises can run and operate without any problems. After the internal problems of the village-owned enterprises were completed, they only entered the aspect of creating social benefits for the local community. Problems experienced by village-owned enterprises, Sumbermulyo Mandiri, in addition to disputes regarding the internal management of village-owned enterprises, are also related to limited operational funds. Without funds, village-owned enterprises will not be able to run properly.

Village-owned enterprises will develop well if there is institutional strengthening where management is always carried out continuously and reforms all aspects. How a village-owned enterprise in its management involves local resources by involving local communities as members to manage village-owned enterprises. The most important thing about capacity building like this is to be able to gain capacity and experience from the managers of village-owned enterprises. It must be acknowledged that the capacity and experience of managing village-owned enterprises is the most important asset in building the progress of village-owned enterprises (Suriadi & Thamrin, 2019). These two things become important elements as indicators of seeing the progress of village-owned enterprises. Departing

from this argument, it can be understood that the village-owned enterprise Sumbermulyo Mandiri is difficult to develop because the capacity and experience of the manager is still very minimal. Capacity in this case can be interpreted as the skills and strengths that drive village-owned enterprises. The participation of local communities in managing the village-owned enterprise Sumbermulyo Mandiri is still half-hearted. This is also triggered by the quality of competent human resources in managing the village-owned enterprise, Sumbermulyo Mandiri, which is still limited. As a result, these village-owned enterprises are managed by actors who do not have good experience in managing village-owned enterprises.

Therefore reforms from all aspects need to be carried out so that the village-owned enterprise of Sumbermulyo Mandiri can develop properly. If it is not immediately addressed, it will be difficult for the village-owned enterprise to develop, and even the existence of the village-owned enterprise in the future will be threatened. The most important thing in the case of the village-owned enterprise Sumbermulyo Mandiri is to map the obstacles experienced and to resolve these obstacles. The resource factor and bureaucratic structure of village-owned enterprises, if not able to, will hinder the pace of development of village-owned enterprises (Dewi, F.M & Suharto, 2019). The Sumbermulyo Mandiri village-owned enterprise has the potential to significantly increase the

village's original income fund. This sees a lot of potential in terms of tourism, crafts, animal husbandry, food sales, and even land and building rentals. However, all of these potentials have not been able to be achieved evenly. This is triggered by very complex factors. Starting from the limitations of human resources, the experience of managing village-owned enterprises, community participation that has not been maximized, support from the village government that is not very visible, as well as internal problems in the management of village-owned enterprises themselves.

Opportunities for village-owned enterprises, Sumbermulyo Mandiri, in developing village potential are actually still wide open. It's just that in developing it all must be supported by various elements. Starting from the support of human resources, support from the local government, until finally being able to see the opportunities and potential it has. Without it, all the potential and opportunities that the village has are only in name and wishful thinking (Sari et al., 2020). The support from the Sumbermulyo Government itself has actually been carried out. Even the Sumbermulyo Government itself gives authority to the village-owned enterprise Sumbermulyo Mandiri to manage the rental of village government assets. Starting from renting a hall for wedding receptions, sound systems, chairs, tables, and even catering. This support is written in black and white in the Village Regulation. Through village regulations,

Sumbermulyo village-owned enterprises can manage the rules for renting village government assets according to the tariffs that have been determined in the Sumbermulyo village regulations. However, with all the limitations that exist in the midst of very rich potential, this village-owned business is not very happy for the original income of the village or in driving the local community's economy.

## CONCLUSION

Based on the description above, it can be concluded that the Sumbermulyo Mandiri village-owned enterprises has not provided optimal results for PAD income in Sumbermulyo Village, Bambanglipuro Bantul. Village-owned enterprises governance is still considered quite minimal. In addition, village human resources are also very limited, so the results obtained from the management of village-owned enterprises are still not on target. This is in stark contrast to the leadership of the Village Head of Sumbermulyo who always makes various achievements as a lurah in D.I. Yogyakarta. Therefore, the attention of the Sumbermulyo village head to village-owned enterprises is still not maximized so that in its operations village-owned enterprises still encounters many obstacles. As a result, it is difficult for village-owned enterprises to develop due to limited human resource modalities and budget. Whereas on the other hand Sumbermulyo Village has tremendous potential. The existence of various tourist spots, Embung Merdeka,

Plumbungan wine village, temple tourism, and others are potentials that are still not managed optimally. Seeing the various potentials that have not been developed, this is a separate homework for the Sumbermulyo Village Government and village-owned enterprises to collaborate to manage all of these potentials to the fullest. Through collaboration, it is hoped that village-owned enterprises can develop optimally and can grow the local economic climate in the local village.

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