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# The Role of The Village Government in The Management of The Tirta Shinta Tourism Village Enterprise to Improve Community Welfare

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**Abstract:** The welfare of rural communities is one of the main goals of national development, which can be achieved through the optimization of local potential. One of the efforts made by the government is through the establishment of Village-Owned Enterprises (BUMDes), as was done by Wonomarto Village by establishing BUMDes Wisata Tirta Shinta. The dam, which originally functioned as irrigation, was developed into a tourist destination to improve the village economy. However, obstacles such as damaged road access, lack of tourist facilities, and low community participation are challenges in its management. This research aims to analyze the role of the Wonomarto Village government in managing BUMDes Wisata Tirta Shinta, as well as its impact on improving community welfare. The research method used was descriptive qualitative, with data collection techniques through interviews, observation, and documentation studies. Data analysis was conducted using the interactive model of Miles and Huberman, which includes data reduction, data presentation, and conclusion drawing. The results show that the Wonomarto Village government has carried out the functions of planning, organizing, mobilizing, and supervising in the management of BUMDes. The existence of BUMDes Wisata Tirta Shinta has increased the village's original income (PAD) and created new business opportunities for the community. However, infrastructure constraints and the lack of facilities are still major obstacles in achieving overall community welfare. This research suggests increasing budget allocations for the improvement of facilities and road access, as well as efforts to increase community participation in BUMDes management.

**Keywords:** Village Government, BUMDes, Community Welfare, Tirta Shinta Tourism

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## 1. Introduction

Community welfare is the main goal in national development. Law No. 11/2009 defines welfare as the fulfillment of material, spiritual, and social needs so that people can live properly and carry out their social functions [1]. At the village level, welfare can be seen as an indicator of successful development that includes economic improvement, quality of life, and community independence. However, reality shows that most villages in Indonesia still face various challenges in achieving community welfare. Many villages are still struggling with poverty, social inequality, and lack of optimally managed resources. This is a situation that calls for a fresh yet community based approach. Law No. 6/2014 on Villages allows for the establishment of one such approach, in the form of the use of Village-Owned Enterprises (BUMDes). BUMDes seeks to promote village economic

growth by increasing local potential by means of community based business management [2].

BUMDes is an economic institution owned by the village government and community for strengthening the local economy. The existence of BUMDes depends on the mutual cooperation and kinship principle. Besides, PP No. 72/2005 also indicates that the establishment of BUMDes is for a purpose of enhancing village own source revenue (PAD) [3], increasing employment and contributing to the economic independence of the village community. This concept is being enacted in one village, Wonomarto Village, Kota Bumi Utara Sub district, North Lampung Regency. The case study of Wonomarto Village is an interesting case study of BUMDes management. FACTAS is a BUMDes SWADESA ARTHA MANDIRI (company) of the village government that in 2016 set up and have then the business units, for instance, Tirta Shinta Tourism. Tirta Shinta Dam was used formerly as an irrigation for rice fields but become a tourist destinations with a potentials to help the village economy. This approach corresponds to the village government practice of optimizing village potentials using innovation in village asset management.

Although BUMDes Wisata Tirta Shinta has great potential, its management has not yet reached optimization results. Of the main challenges; road infrastructure leading to the tourism site is damaged, inadequate facilities for tourism and community participation is limited. For instance, a lot of Tirta Shinta Tourism's visitors are afraid to step there due to difficult road access, especially during the rainy season. In addition, facilities such as parking lots, game rides, and shelters for visitors to rest still need improvement. These constraints indicate the need for the village government to play a strategic role in managing BUMDes effectively. In management literature, organizational management includes four main functions, namely planning, organizing, actuating, and controlling [4]. The role of the village government in these four functions is key to the success of BUMDes management that impacts the welfare of the village community. Part of it has to do with careful planning, a strong organizational structure, community involvement in management, and consistent supervision [5].

This approach helps to play the role optimally of the Wonomarto village government in developing BUMDes Wisata Tirta Shinta as a category of the village economy. The effort can also create new business opportunities for the community, for example by swapping food, drinks and souvenirs around the tourist sites. Moreover, an increase in visitors can also yield an increment in PAD, a source of revenue of the village on its own, and therefore impact the overall welfare of the community. This study is based on that background to analyze the role of the village government in the management of BUMDes Wisata Tirta Shinta. The recommendations derived from this study are expected to help the village government and other stakeholders in the improvement of community welfare through the exploitation of potential in accordance with local reality.

## **Literature Review**

### **A. Community Welfare**

Welfare development is one of the main objectives of social and economic development at various levels, including at the village level. According to Law No. 11/2009 on Social Welfare, welfare is defined as the fulfillment of the material, spiritual, and social needs of citizens so that they can live properly, develop their potential, and perform their social functions. In the village context, development welfare is often the benchmark for the success of various development programs, including community-based economic empowerment programs such as Village-Owned Enterprises (BUMDes).

#### **1. Definition of Welfare**

Welfare in literature studies is often defined as a situation in which an individual's basic needs, including food, clothing, shelter, education, and health, are adequately met.

Sari et al [6] define welfare as a safe, secure, and prosperous condition in which individuals feel free from threats or shortages. In this perspective, a prosperous community is a group that has full access to resources that support their quality of life.

Law No. 6/2014 on Villages states that community welfare can be achieved through empowering village potential, strengthening the local economy, and increasing community participation in various development programs. One of the key strategies in realizing community welfare in villages is the optimization of local resources through the establishment and management of village economic institutions such as BUMDes.

## **2. Indicators of Community Welfare**

Community welfare can be measured through various indicators. According to Nasikun [7], the four main indicators of welfare are security, material welfare, freedom, and identity. In addition, the Central Bureau of Statistics (BPS) adds other indicators such as the level of health, education, employment, housing, and the environment [8].

Health indicators reflect people's quality of life, which is related to access to health services and nutritional status. Education indicators refer to the level of education achieved by the community, as good education supports the improvement of the quality of human resources. Employment is another important factor, as a low unemployment rate usually indicates the economic independence of the community. Meanwhile, decent housing conditions reflect the community's level of comfort and security in living their daily lives [9].

## **3. Welfare Improvement Strategies**

Improving community welfare can be achieved through various empowerment strategies, including community-based economic empowerment. In the context of Wonomarto Village, for example, the village government established BUMDes Wisata Tirta Shinta as an effort to improve community welfare through the management of local tourism potential. With the BUMDes, the community can engage in various economic activities, such as trading, handicrafts, and the provision of tourism services, which can directly increase their income.

However, as stated by Wiraningtyas [10], the main challenges in improving community welfare are low community participation in empowerment programs, lack of community understanding of local potential management, and limited supporting infrastructure. Therefore, the role of the village government becomes very important in encouraging community participation and providing access to the necessary resources to support the sustainability of empowerment programs.

## **4. Village Government**

The village government is an institution that organizes government at the village level and has a strategic role in the development of rural areas. Based on Law No. 6/2014 on Villages, the village government consists of the village head and village officials who are responsible for managing the government, implementing development, and empowering the community. The village government also functions as a protector and servant of the community, in charge of maintaining peace and order, and encouraging community participation in development (Law No. 6/2014). One of the main roles of the village government is to manage local potential to improve community welfare. In this case, the establishment of Village-Owned Enterprises (BUMDes) is one of the strategic steps taken by the village government to encourage economic growth and community independence. According to Fitriska [11], BUMDes is a village business institution managed by the village government together with the community, aiming to strengthen the village economy and create employment opportunities. BUMDes serve in a village exactly the function and flow as needed and potential of the village, so, the village

government will responsible in planning, organizing, implementing, and supervising BUMDes operations to run accordingly.

Village governments also play developmental role by the means of regulatory, public service and community empowerment functions. As Mariska [12] points out, village governments are responsible for framing the policies supporting local economic development, social security, and sustaining all kinds of development programs. In Wonomarto Village case, the village government has an active job of establishing and managing BUMDes Wisata Tirta Shinta, based on local potentials of dam as a tourist object. This should be taken as showing the village government on how they can optimize local resources in order to increase village own source revenue (PAD) and improve the wellbeing of the community.

But the role of the village government is always successful except that there is low community participation in development programs which generally are the core challenge facing the role of the village government. Additionally, poor infrastructure, and human resources can also affect the level of effectiveness in the implementation of the program at the village level. Hence, the sustainability and need for success of development programs rely on a participatory and collaborative nexus between the village and the community authority. Village governments have a very important mission in attracting and using local potential through a sound regulation with strong legal basis. It is an increasingly important role in creating village economic independence and improving the quality of life of the community.

#### **B. Village-Owned Enterprises (BUMDes)**

BUMDes are village economic institutions that entities are trying to increase independence and welfare of the community. The regulations regarding the existence of BUMDes are regulated in various law and one is Law No. 6/2014 concerning Village which enables village to create business entity concerning local need and local potential. Further, the Minister of Home Office Regulation No. 39/2010 [13] also included the principle of the management and capital of BUMDes jointly by village government and community with that of gotong royong and kinship. The government efforts to strengthen the rural economy through community based management of local potentials are reflected in this foundation [14]. According to Daki Y [4], the management of an organization, including BUMDes, involves four main functions: planning, organizing, mobilizing, and supervising. The first step in planning a business development strategy based on village potential is planning. At the level of community planning, as has been conducted by the village BUMDes Wisata Tirta Shinta at the amount of tourist facilities such as game rides as well as parking facilities. The organizing stage includes the establishment of a BUMDes management structure that involves the community and village officials, so that program implementation can run according to plan. Fungsi pergerakan melibatkan pelibatan masyarakat dalam kegiatan seperti membersihkan area wisata dan menyediakan layanan tambahan bagi pengunjung. Sementara itu, pengawasan dilakukan secara berkala untuk memastikan pelaksanaan program sesuai dengan rencana dan mencapai tujuan peningkatan kesejahteraan Masyarakat, purwani [15].

The mobilization function involves involving the community in activities such as cleaning the tourist area and providing additional services for visitors. Meanwhile, supervision is conducted periodically to ensure the implementation of the program is in accordance with the plan and achieves the goal of improving community welfare, Purwani [15].

The important role of BUMDes in village development is also emphasized by Jati A,H [16], who states that the government's role in BUMDes management includes the provision of public services, regulation, and supervision. In the context of village tourism such as at Tirta Shinta Dam, this role becomes very important to increase tourist

attractiveness and encourage community participation in economic activities Fakhrurozi [17]. Effective BUMDes management can create new jobs, increase village own-source revenues (PAD), and encourage economic equality at the local level.

Previous studies have shown both successes and challenges in BUMDes management. Hartini [18] noted that in Batetangga Village, the role of BUMDes has helped to improve community welfare through programs that suit local needs. However, challenges such as the lack of community understanding of BUMDes management are still a major obstacle. However, challenges such as the lack of community understanding of BUMDes management are still a major obstacle. Another study by Tri Mayasari [19] showed that the development of village potential through BUMDes Bestari Adijaya Sentosa in East Lampung was able to increase community income and create jobs. However, further empowerment is still needed to maximize village potential. These studies show the relevance of research on the role of village governments in BUMDes management, particularly in Wonomarto Village, to identify strategic steps that can be taken to improve community welfare.

## 2. Materials and Methods

This research uses a qualitative approach with a descriptive research type. According to Moleong [20], qualitative research aims to understand social phenomena in depth by describing reality based on the perspective of the research subject. Taking into account this context, the research dealt with the prospect of disclosing information about the components of Wonomarto Village government in its role as a manager of Tirta Shinta Tourism Village Owned Business Enterprise (BUMDes) and as it relates to welfare of the community. Because the descriptive qualitative approach describes phenomena occurring in the field with observations, interviews, and documentation, it is considered relevant.

Several techniques were used for data collection, including observation, in depth interviews and documentation studies. In order to understand the actual situation and conditions in the area of the research, observation was conducted about the existence of tourism facilities and the activities of BUMDes management. In-depth interviews were conducted with key informants, namely the village head, BUMDes manager, and the community involved in the management of Tirta Shinta Tourism. This technique aimed to obtain direct information related to the role of the village government, obstacles faced, and strategic steps that have been taken. In addition, documentation studies were used to collect secondary data from official village documents, BUMDes management reports, and other relevant references [21].

The collected data were analyzed using the interactive model of Miles and Huberman [22], which includes three stages: data reduction, data presentation, and conclusion drawing. Data reduction was conducted by sorting out information relevant to the research focus, namely the role of village government in BUMDes management. Data presentation was conducted in the form of descriptive narratives to facilitate interpretation. Final conclusions were drawn based on the findings that had been analyzed systematically and critically.

This research was located in Wonomarto Village, Kota Bumi Utara Sub-district, North Lampung Regency. This location was chosen because BUMDes Wisata Tirta Shinta is an example of the implementation of village potential management aimed at improving community welfare. This research is expected to provide theoretical and practical contributions in understanding the strategic role of village government in local economic development.



### 3. Results

This research shows that the Wonomarto village government plays an active role in the management of BUMDes Wisata Tirta Shinta by involving four main management functions: planning, organizing, mobilizing, and supervising. Although this BUMDes has succeeded in improving several aspects of the village economy, challenges such as inadequate infrastructure and the lack of tourist facilities still hinder the achievement of maximum community welfare goals.

#### 1. Planning

The Wonomarto village government developed a strategic plan for the management of Tirta Shinta Tourism with a focus on improving facilities, such as improving road access to the tour, building new rides, and improving tourist facilities. A budget of 30% of village revenue is allocated to support BUMDes operations.

#### 2. Organizing

The organizational structure of BUMDes Swadesa Artha Mandiri involves various elements, such as village officials and the community, to ensure the work program runs as planned. The management is divided into specific areas, such as tourism supervision, security, and facility management.

#### 3. Actuating

The village government and BUMDes managers encourage community participation in tourism management, such as cleaning the dam, repairing facilities, and providing services for visitors. These efforts create jobs for local communities, especially in the food, beverage and handicraft trading sectors.

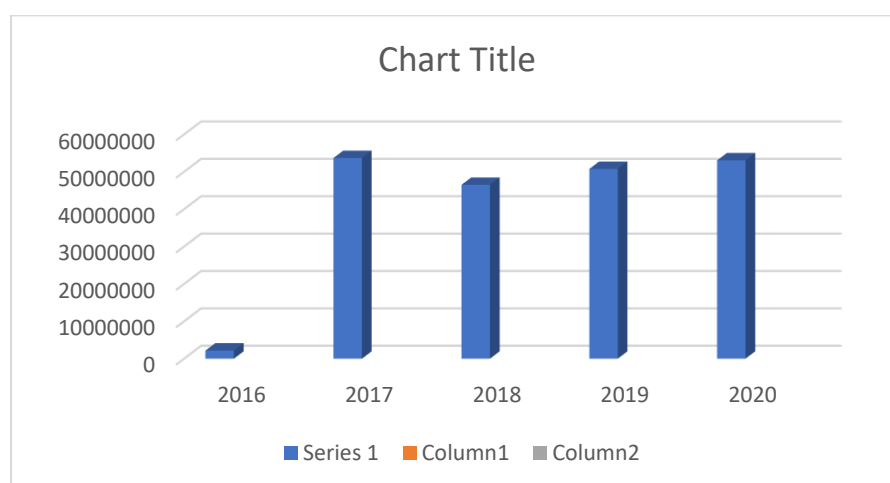
#### 4. Controlling

Supervision is conducted directly by the village government to ensure that BUMDes operations are running according to plan. The main focus of supervision is the improvement of tourist facilities, such as the addition of parking lots and the construction of saung-saung for visitors' convenience.

**Table 1.** Illustrates the revenue of BUMDes Swadesa Artha Mandiri from 2016 to 2020:

Tahun	2016	2017	2018	2019	2020
Revenue	2.185.600	53.677.946	46.499.894	50.759.813	53.061.500

Source: Wonomarto Village Profile, 2020.



Source: Wonomarto Village Profile, 2020.

**Figure 1.** Chart.

The results show that BUMDes Wisata Tirta Shinta has had a positive impact on the village economy, particularly through increased village income and the opening of new jobs. However, there are key challenges to overcome, such as damaged road access and a lack of tourist facilities. This affects visitor interest, especially during the rainy season, when roads become difficult to navigate.

#### 4. Discussion

The village government's role in the organizing and mobilizing aspects has worked well, as evidenced by the increased community involvement in various BUMDes activities. However, optimization of supervision and more targeted planning are still needed, particularly in budget allocation to improve tourism infrastructure and facilities.

Compared to previous studies, such as those conducted by Hartini [18] in Batetangga Village and Mayasari [19] in Adijaya Village, Wonomarto Village has an advantage in the implementation of the BUMDes program. However, as with other villages, the challenges of low community participation and limited capital remain key issues.

#### 5. Conclusion

This research concludes that the role of the Wonomarto Village government in managing BUMDes Wisata Tirta Shinta includes the functions of planning, organizing, mobilizing, and supervising. These four functions have been carried out to utilize local potential, especially dams that initially only functioned as irrigation, into tourist destinations that have a positive impact on the village economy. Through BUMDes, the village government has succeeded in increasing the village's own revenue (PAD) and creating new jobs, especially for people who open businesses around tourist sites.

However, this study also found that obstacles such as damaged road infrastructure, lack of tourist facilities, and low community participation are still the main obstacles in achieving overall community welfare. The village government's efforts in allocating budget and involving the community have shown positive results, but increased supervision and improved tourist facilities are still needed to attract more visitors and optimize village revenue. Overall, the BUMDes Wisata Tirta Shinta contributes significantly to the economic development of Wonomarto Village, although it still requires strategic improvements to achieve broader community welfare goals.

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