

Management of Village-Owned Enterprises (BUMDES) Through the Food Court Business Unit in Katerungan Village, Krian District, Sidoarjo Regency

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ABSTRACT

Objective: This study aims to analyze the management of the Village-Owned Enterprise (BUMDes) Barokah Makmur through its Pujasera unit in Katerungan Village, Krian District, Sidoarjo Regency, focusing on how the management functions of planning, organizing, actuating, and controlling are implemented to strengthen the local economy and empower the community. **Method:** A descriptive qualitative approach was employed using observations, interviews, and documentation, with data analyzed through Miles and Huberman's interactive model, including data collection, reduction, display, and conclusion drawing. **Results:** The findings reveal that planning considered strategic location and culinary potential, although spatial layout optimization remains limited. The organizational structure is well-defined, yet only certain units, particularly Pujasera, consistently operate. The actuating process reflects high managerial commitment but is constrained by human resource limitations. Supervision is effectively conducted through formal and social mechanisms. Financially, Pujasera recovered from losses in 2021–2022, generating a net profit of IDR 26,905,044 in 2024 and contributing 40% to village revenue. **Novelty:** This study contributes to understanding adaptive management strategies in village enterprises by demonstrating how Pujasera's transformation fosters sustainable local economic independence, emphasizing innovation through human resource development, organizational reinforcement, and systematic facility management.

INTRODUCTION

Villages have authority regulated in legislation, specifically Law Number 6 of 2014 concerning Villages. This law states that villages have authority over matters including the administration of village governance, implementation of village development, village community development, and village community empowerment. The authority that villages can exercise in efforts to improve the village economy is the establishment of Village-Owned Enterprises (BUMDes) themselves, which operate not only in the economic sector but also in the social sector [1].

In the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 4 of 2015 concerning the Establishment, Administration, Management, and Dissolution of Village-Owned Enterprises. Village-Owned Enterprises, hereinafter referred to as BUMDes, are business entities whose capital is wholly or mostly owned by the village through direct participation originating from village assets that are separated so that they can manage assets, services, and other businesses that are useful for the welfare of the village community. Meanwhile, another definition explains that BUMDes is a village business institution managed by the community and the village government that aims to strengthen the economic sector in the village and is formed based on the needs and

potential of the village. This government is trying various forms and programs to encourage the acceleration of regional development as an effort to equalize rural welfare, alleviate poverty and reduce regional inequality. Village autonomy is part of regional autonomy granted based on law [2].

Article 2 Number 4 in 2015 in the Regulation of the Minister of Villages "The establishment of BUMDesa is to accommodate all activities in the economic and/or public service sectors managed by the Village and/or cooperation between Villages". Population distribution and development of areas affected by the establishment, supervision, and dissolution of Village-Owned Enterprises. BUMDes is a business entity that is given funds directly by the village and is used to provide additional facilities and businesses for the benefit of the local community [3].

Village-Owned Enterprises (BUMDES) are a crucial instrument for empowering the rural economy. Through food courts, BUMDES can optimize the potential of village resources to improve community welfare. Katerungan Village was chosen as the research location because it has a food court, a strategic tool for village economic management that involves the active participation of the community and village government. This business unit is expected to create jobs, increase village revenue, and support economic equality in the village community. Therefore, it is relevant to study its management in depth, specifically through the Village-Owned Enterprise (BUMDES). This study aims to identify the management mechanisms, obstacles encountered, and strategies implemented to optimize the performance of the *pujasa* business unit so that it can provide maximum benefits to the village community [4].

Village-Owned Enterprises (BUMDes) are economic institutions with business capital, and as part of independent village development, they have achieved success in managing their own households and building villages independent of government village funds. The development of an economic base in rural areas has long been implemented by the village government through various programs. However, these efforts have not been able to produce satisfactory results as desired. Many factors contribute to the lack of success of these programs. One of the most dominant factors is excessive government intervention, which ultimately hinders the creativity and innovation of village communities in managing and running the rural economy. Economic development is one indicator of development within the village government, in realizing an independent village. Therefore, the village government needs to obtain income from the village's own capabilities [5].

The establishment of a Village-Owned Enterprise (BUMDes) is a manifestation of productive village economic management carried out in a cooperative, participatory, emancipatory, transparent, accountable, and sustainable manner. Therefore, serious efforts are needed to ensure that BUMDes management runs effectively, efficiently, professionally, and independently [6].

Village-Owned Enterprises (BUMDes) Katerungan, Krian District, Sidoarjo Regency was established in 2016 as part of efforts to improve the welfare of the village

community. Although administratively bumdes was established in 2016, its operational realization only started in 2018 under the name Bumdes "Berkah Jaya Abadi" along with the development of community needs, BUMDes is one of the strategies in encouraging village economic independence through the management of various business units, this bumdes is engaged in business management, currently BUMDes has managed 3 types of businesses namely the village market pujasera, cattle fattening and catfish development, of the three types of businesses, the village market pujasera unit is the only one that is running actively and is expected to be able to become a center of community economic activity as well as an empowerment space for micro-entrepreneurs. Currently, Bumdes is closely related to the village community, which is an important component of its external environment. Because of its organizational form BUMDes can generate financial profits in the form of a "business entity" that has been formed. In this case, the financial motivation is to encourage BUMDes to profit. This aligns with the initial goal of establishing BUMDes, as BUMDes legitimizes the use of village funds and is an effective method for developing and promoting the village's economic potential. However, from a social perspective, BUMDes must contribute directly to the community by improving the quality of life of the community and the environment [7].

In 2025, the Village-Owned Enterprise (Bumdes) of Katerungan Village rebranded itself by changing the name of the village market business unit, the food court, to "Barokah Makmur." This name change was not only symbiotic, but also reflected a new spirit in strengthening business identity, expanding market networks, and increasing the competitiveness of Bumdes amidst the village's economic challenges. Bumdes acts as a village market manager with a focus on managing vendor kiosk rentals as a source of income and operations, which also provides business opportunities and increases village income. In managing this village market, the Village-Owned Enterprise (BUMDes) is responsible for managing kiosk rentals with a good administrative system, maintaining orderly financial records, and managing supporting facilities, ensuring the market is a comfortable and well-organized place for transactions. With this model, BUMDes not only pursues financial gain as a business entity, but also improves the quality of life of village communities and strengthens the local economy in a sustainable manner.

Table 1. Recapitulation of data from the Pujasera Katerungan BUMDes business unit

Year	Number of Tenants	Type of business	Nominal	Annual Turnover	Net Profit/Loss	Village Revenue Contribution
2020	-	Equity capital	Rp 50.000.000	-	-	
2021	15	Various types of culinary delights, coffee	-	Rp 17.151.000	(Rp 11.274.334)	40%

Year	Number of Tenants	Type of business	Nominal	Annual Turnover	Net Profit/Loss	Village Revenue Contribution
		shops, grocery stores				
2022	16	Adding menu variations and new culinary tenants, grocery stores.	-	Rp 34.221.000	(Rp 11.435.200)	40%
2023	17	Tenants are increasingly diverse, such as the addition of a green club	-	Rp 41.811.280	Rp 4.124.280	40%
2024	18	Increasing the number of culinary tenants	-	Rp 59.711.870	Rp 26.905.044	40%

Source: Head of Bumdes, Managed by the author

Based on Table 1, the Katerungan Village-Owned Enterprise (BUMDes) received initial capital of IDR 50,000,000 in 2020 as the basis for establishing a food court business unit. In 2021, the BUMDes began operating a culinary business with 15 tenants consisting of coffee shops, culinary stalls, and grocery stores. However, despite recording a turnover of Rp 17,151,000, the business still experienced a loss of Rp 11,274,334. A similar situation occurred in 2022, the number of tenants increased to 16 with the addition of menu variations and new culinary tenants, resulting in an increase in turnover to Rp 34,221,000, but the business still experienced a loss of Rp 11,435,200. Positive developments began to be seen in 2023, with a more diverse number of tenants reaching 17, including the addition of the Green Club. Revenue increased to Rp 41,811,280 and the business generated a profit of Rp 4,124,280. The peak occurred in 2024, with 18 tenants, revenue soaring to Rp59,711,870, and net profit reaching Rp26.905.044. Overall, the BUMDes' contribution to Village-Owned Enterprises (PADes) remained consistent at 40% per year.

The first study by Linda Machmudah and Isnaini Rodyah (2024) focused on the implementation of the BUMDes business development program, using a case study of the Sinar Mitra Gemilang BUMDes in Tambak Kalisogo Village, Sidoarjo. The results showed that the main obstacles to BUMDes were a lack of communication with the community, limited human resources in terms of both quantity and skills, and a weak organizational structure. Despite village capital participation, profits were still low due

to suboptimal business unit management. This study confirms that the success of BUMDes is strongly influenced by communication factors, community participation, village government support, and a solid organizational structure [8].

The second study by Nyimas Ifada Sahara and Ilmi Usrotin Choiriyah (2023) focused on the management of the Kinara Village-Owned Enterprise (BUMDes) in Kemiri Village, Sidoarjo Regency. This study used a qualitative descriptive method with observation, interviews, and documentation approaches, and was based on George R. Terry's management theory. The results showed that in terms of planning, the Kinara BUMDes management, along with the village government, were able to revitalize the business after the pandemic by creating new plans for the development of business units such as food courts, bird cages, and the De-Smart Store. In terms of organization, an organizational structure has been established with a clear division of labor and good communication between managers. In terms of implementation, the BUMDes strives to implement programs by involving community aspirations despite still facing obstacles such as capital, facilities, and a lack of professional staff. Meanwhile, in terms of supervision, the evaluation process is carried out transparently through village deliberations and accountability reports, so that the community can access information about BUMDes management. This study confirms that the success of BUMDes depends not only on the capital provided by the village government, but also on the effectiveness of the organizational structure, community involvement, and the ability to innovate in facing business competition [9].

The third study by Asnal Mala, Hanik Yuni Alfiyah, and Deviana Putri Ari Sandy discussed the economic development strategy of the Pujasera Village-Owned Enterprise (BUMDes) in Katerungan Village, Krian District, Sidoarjo, using a qualitative approach through case studies and SWOT analysis. The focus of this study was how BUMDes can survive and thrive amidst modern market competition while still prioritizing local wisdom. The results showed that traditional markets have significant opportunities such as increasing community income, revitalization policies, and the adoption of information technology. However, there are threats in the form of modern market growth and managerial constraints such as promotion, cleanliness, and limited public facilities. Strengths include the uniqueness of local products, quality goods, and strategic locations. This study then formulated a "Grow and Develop" strategy by emphasizing market penetration and product development as a step to maintain the existence of the Pujasera Village-Owned Enterprise and strengthen its contribution to the village economy [2].

Furthermore, management is a gradual process starting from the process of planning, dividing, implementing, and controlling activities carried out to determine and achieve certain goals by utilizing existing resources. The word management etymologically means governance which refers to the process of managing or handling something so that predetermined goals can be achieved. Management here can also be interpreted as management science that has a relationship with the process of managing or handling something to realize certain desired goals. Therefore, the author concludes

that what is meant by management is everything that is done starting from planning, organizing, monitoring and evaluation so that predetermined goals can run well. Similarly, the management of BUMDes to achieve its goals, each party involved in the BUMDes management system must truly provide good performance to increase community income and the village economy in particular [7]. BUMDES management can be understood based on management principles that include planning, organizing, directing, and controlling as outlined in George R. Terry's Management Theory (2009:9). Planning includes the preparation of strategies and work programs for BUMDES business management, organizing involves the formation of organizational structures and the division of tasks, directing is the process of mobilizing human resources to comply with the plan, while supervision aims to ensure that each activity runs according to target and can be corrected if obstacles are found. The principles of BUMDES management also refer to principles such as mutual cooperation, kinship, deliberation and consensus, sustainability, independence, transparency, and accountability [10].

Various problems related to the management of Bumdes in business units described in previous research also occur in the management of Bumdes in the food court business unit in Katerungan village, Krian sub-district, Sidoarjo regency, but currently BUMDes can be said to have not been able to run well due to obstacles including first, in the form of human resources managers and limited support from the private sector states that BUMDes has played a lot and contributed to the community but it cannot be said that BUMDes is running optimally, one of the prominent obstacles second, weak organizational structure, in BUMDes is usually characterized by management that has not been well organized so that the division of roles and responsibilities is not optimal many administrators do not understand business management, in addition to transparency and weak reporting systems increase the risk of misuse of funds and reduce public trust to financial constraints. Third, Limited managerial competency and low ability to innovate make the division of tasks ineffective, so that village market operations, financial records are not optimal and facility management is not optimal. Based on the background explanation, the research objectives can be formulated based on the description of the problem area explained, so this research aims to analyze and describe the management of village-owned enterprises (BUMDES) through the food court business unit in Katerungan Village, Krian District, Sidoarjo Regency.

RESEARCH METHOD

The approach in this research is a descriptive method with qualitative techniques. To solve and answer the problems currently being faced in the current situation, it is done by taking steps to collect data, clarify and draw conclusions about a situation objectively in a descriptive situation [11]. According to Moelang, qualitative research is research that aims to understand a phenomenon experienced by the subject in the form of words and language, in a specific, natural context and utilizing various natural methods. Moelang also emphasizes the importance of interaction between researchers and research subjects

in the data collection process. The author chose this approach because it is able to provide an in-depth picture of the Management of Village-Owned Enterprises (BUMDES) Through the Food Court Business Unit in Katerungan Village, Krian District, Sidoarjo Regency [12]. This research is located at the Keterungan village hall office, Krian District, Sidoarjo Regency. The informant determination technique uses a purposive sampling method, namely the deliberate determination of certain considerations and criteria relevant to the focus of the research. The research subjects as informants from the parties directly concerned with the implementation process of the BUMDes Program, namely the Head of BUMDes, the Katerungan Village Government, BUMDes, the Katerungan village community who are responsible for the village-owned enterprise (BUMDes) in Katerungan village. Data sources in this study include primary and secondary data. Primary data is obtained through interviews and direct observation of informants. Secondary data is obtained through administrative documents and other references. Data collection techniques in this study use observation, interviews, and documentation [13]. The data analysis technique in this study is guided by the Miles & Huberman (1992:16) data analysis model, which states that data analysis involves four stages: 1) Data Collection, which involves collecting all relevant data for the study. 2) Data Reduction, which aims to simplify the collected data so that it is easily understood during analysis. 3) Data Presentation, which presents structured data and provides the opportunity for drawing conclusions. 4) Conclusion Drawing, which concludes the data in accordance with the existing problem formulation [14].

RESULTS AND DISCUSSION

Results

Katerungan Village is located in Krian District, Sidoarjo Regency, East Java Province. In line with the rapid development of community needs, Katerungan Village has a dynamic local economic development, especially through the existence of Village-Owned Enterprises (BUMDes). One of the business units managed by BUMDes is the Pujasera village market of Katerungan Village, which functions as a trading center for micro and small business actors, in empowering the community's economy. The management of this Pujasera village market business unit is expected to encourage increased village income, create jobs, and strengthen the community's economic independence. Through good governance, the Pujasera village market of BUMDes Katerungan is directed to be more efficient, transparent, and accountable, so that it can become an important instrument in supporting the sustainable welfare of the village community.



Figure 1. Pujasera Village Market, Katerungan Krian Village
Source: processed by researchers

However, the management of this business unit still faces challenges, particularly in terms of human resource professionalism, business development innovation, and accountable financial management. If these aspects can be improved, Pujasera has the potential to become a model for sustainable village businesses [15]. which states that the success of BUMDes in managing business units is largely determined by the quality of transparent governance and active community participation. The existence of BUMDes through productive business units such as the Pujasera village market has been proven to increase village economic growth when managed professionally and adaptively to local needs [16]. By using the Management theory according to George R. Terry this can be seen from each dimension which contains four variables which are very decisive in the success of managing local economic development, namely: Planning, Organizing, Actuating, and Controlling.

Planning (Perencanaan) in Food Court Management

Planning is a fundamental management function that includes setting goals and the best way to achieve them. Planning for village-owned enterprise (BUMDes) management through the food court business unit begins early on, with the provision of strategic and suitable locations for business owners [17].

The chairman stated that "*initially, we were definitely given a suitable, strategic location, with facilities that accommodated the vendors properly, because the location was also quite strategic.*" We chose the food court because we saw the culinary potential of this community was quite large. The planning we made included determining the location, building design, projecting the number of tenants, to the target turnover and contribution of PADes" from the interview results stated that the planning carried out had taken into account the factors of facilities and location as basic business capital.

However, the planning did not fully account for the building's layout. The suboptimal layout of the shophouses meant that several shophouses in the second row were blocked by those in the first and third rows, reducing the number of outside tenants.

Table 2. Work plan of Bumdes Barokah Makmur

Year	Work plan	Realization	Target
2021	Savings and Loan Business Unit	15 businesses were realized	Opening 18 food court businesses
2022	Addition of Grocery Store Units	2 shop units realized	add target income to 4 stores
2023	Addition of table tennis sports area in food court	Only 1 table tennis table was realized	table tennis target 2
2024	a. Construction of new yards and infrastructure b. Development of food security programs c. Addition of new business units	Not Yet Implemented	Target 100%

Source: processed from Bumdes Barokah Makmur

Based on Table 2 above, it shows that the Barokah Makmur Village-Owned Enterprise Work Plan shows that program implementation from 2021 to 2024 has not fully achieved the set targets. In 2021, 15 savings and loan business units were realized, slightly below the target of 18 businesses that were expected to open more business opportunities in the food court. In 2022, the addition of only 2 grocery stores was realized out of the target of 4, so that the achievement in increasing revenue was not optimal. In 2023, the plan to add sports facilities in the form of table tennis at the food court was only realized in 1 unit out of the target of 2 units, so the goal of attracting more public interest was not fully achieved. Meanwhile, in 2024, plans to build a new yard and infrastructure, develop a food security program, and add new business units were not implemented at all, despite the set target of 100%. This indicates a gap between planning and implementation that needs to be evaluated to optimize the future development of the Village-Owned Enterprise (BUMDes).

The Chairman said that *"the form of shophouse arrangement is still lacking, such as the shophouses are not all visible from the outside, such as the shophouses in the middle are blocked by the front and back shops."* This condition reflects a deficiency in the initial planning, where the position of the building does not fully support the visibility and attractiveness of the business of each tenant, which is a weakness in determining the physical strategy that should have been considered from the planning stage.

However, there is a medium-term plan that will be carried out in 2025. The Chairman said that *"there is already a work plan for the time of the change of management from the pujasera and the village government there is already a plan to renovate the position of the shophouses to renovate or renovate the position of the shophouses so that all the stalls are visible from the outside of the initial plan for 2025, besides that there is also a plan to add a unit in the form*

of food security, namely catfish farming and cattle fattening, but it has not yet been implemented" in the renovation plan is a form of strategic planning that aims to improve initial weaknesses. In this case, planning does not stop at the initial stage, but continues to be improved to adjust to field dynamics.

In terms of financial management planning, the Village-Owned Enterprise (BUMDes) also adjusted its rental system to increase effectiveness. The head of the BUMDes stated, *"Initially, we used a daily system with a fee of Rp 10,000-Rp 15,000 per day, depending on electricity token usage. However, this system presented technical challenges because most of the BUMDes administrators also worked. Therefore, a change was made to a monthly system with a fee ranging from Rp 350,000-Rp 800,000, all depending on electricity usage."* This shows that BUMDes planning is adaptive according to the needs in the field. This shows that the planning carried out is not only focused on establishing a business, but also includes calculations of sustainability and economic benefits for the village.

The results of this study indicate that planning in the management of the Barokah Makmur Village-Owned Enterprise (BUMDes) in Katerungan Village demonstrates that goals and strategies have been established from the outset to support the sustainability of village businesses. This is evident in the provision of strategic business locations, adequate facilities, and planning that includes determining building design, projecting the number of tenants, and targeting turnover and contributions to PADes. This finding aligns with George R. Terry's theory, which emphasizes that planning is the process of setting goals and the best way to achieve them. However, this study also found weaknesses in the shophouse layout, where the building position does not support visibility for all tenants, thus reducing the attractiveness of the business. Nevertheless, the plan for reconstructing the building layout, the food security development program, and the addition of new business units indicate that the BUMDes implements adaptive strategic planning. This planning must be flexible to the dynamics of the internal and external environments. Thus, the planning indicators in BUMDes management have been implemented in accordance with modern management principles, although strengthening physical strategies and business objectives is still needed to be able to provide optimal economic benefits for the village.

Organizing (Perorganisasian) in Food Court Management

Organization is the entire process of grouping people, tools, tasks, authority, and responsibilities to create effective relationships in achieving goals in the organization of Bumdes through the food court business unit, showing that the organizational structure has been formed by dividing tasks and responsibilities in a hierarchical manner [7]. The chairman said that *"There are two organizational structures in BUMDes, namely the BUMDes structure and BUMDes human resources, each of which has its own structure, such as in the organizational structure there are village deliberations, supervision, advisors, chief directors, secretaries, treasurers, food court business units, and food security business units, while from the human resource structure there are advisors, supervisors, chief directors, secretaries, treasurers, food court business units, and food security business units."* The following diagram of human resources at the Barokah

Makmur Village-Owned Enterprise shows the results of research interviews.

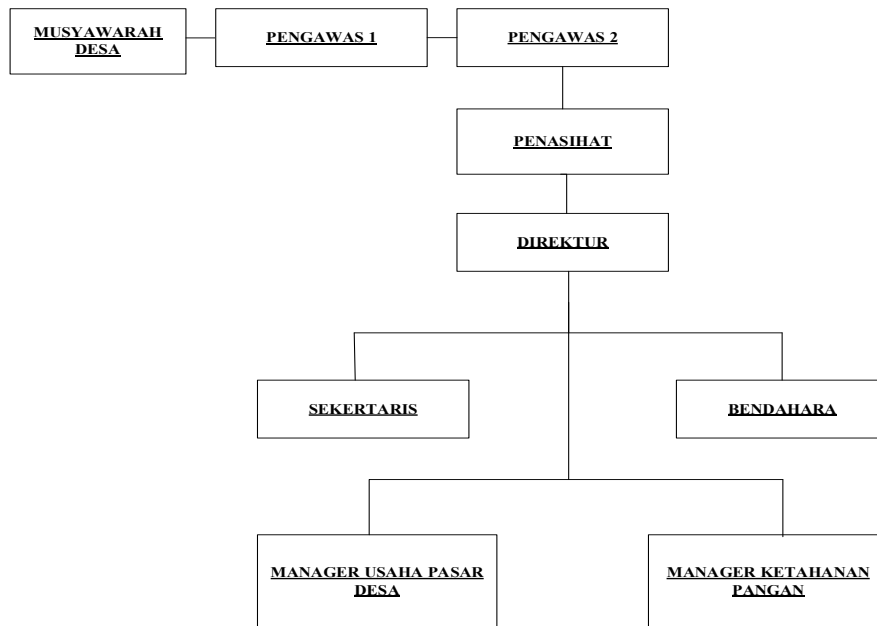


Figure 1. Diagram 1 Organizational structure of the Barokah Makmur Village-Owned Enterprise (BUMDes) in Katerungan Village Sidoarjo Regency
Source: processed from Bumdes Barokah Makmur

Diagram 1 of the Human Resources Structure of the Katerungan Village-Owned Enterprise (BUMDes) illustrates a structured organizational structure with a clear division of tasks and functions. At the highest level, the Village Consultative Assembly serves as the highest decision-making body, determining policy direction and providing a legitimate basis for BUMDes management. Furthermore, Supervisor 1 and Supervisor 2 play a crucial role in overseeing activities to ensure transparency, accountability, and compliance with applicable regulations. Below them is the Advisor, typically the Village Head, who provides direction and input, and acts as a liaison between the village government and BUMDes management. At the operational level, top leadership is held by a Director who is fully responsible for overseeing day-to-day business operations and decision-making. The Director is assisted by two key staff members: a Secretary who handles administration, correspondence, and documentation, and a Treasurer who manages finances in a transparent and orderly manner. Furthermore, the organizational structure of the Katerungan BUMDes also includes a Village Market Business Manager and a Food Security Manager, whose functions are to run and develop business units in their respective fields.

This organizational structure demonstrates a clear division of roles, although not all units are operating optimally. The food safety unit remains inactive, while the food court unit is the only one operating. This demonstrates that in practice, the organization remains focused on the units with the greatest potential.

The chairman said that "for the time being, the only thing that is not running is food security and the only thing that is still running now is the food court" in the BUMDes

organization which is still in the stage of adapting to the conditions and potential of the village.

Furthermore, a formal mechanism is also evident in the appointment of unit heads, which is granted through a decree (SK) by the director of the village-owned enterprise (BUMDes) with a five-year term. This demonstrates legal certainty and legitimacy within the organizational structure. In this regard, the organization emphasizes the importance of formally assigning authority and responsibility to ensure that tasks are carried out in accordance with applicable regulations.

In carrying out operations, the head of the food court unit also leads employees who are tasked with guarding the food court, especially at night, as well as managing technical needs such as electricity tokens and facility repairs.

The chairman said that *"under the unit head there are employees, such as those who guard the food court at night, and the unit head who carries out operations such as checking electricity tokens, if there is a broken faucet, or a broken light, the unit head manages it."* From this, it is clear that the division of tasks within the BUMDes organization has begun to be structured between the leadership and technical implementation.

Based on the research results, it shows that the organizational indicators in the management of the Barokah Makmur BUMDes in Katerungan Village indicate that the organizational structure has been clearly defined with a structured division of tasks, authorities, and responsibilities starting from the Village Deliberation as the highest decision-making body down to the business units at the operational level. This is in line with George R. Terry's management theory which emphasizes that the organizing function is the process of grouping people, tools, and tasks to create effective working relationships in achieving organizational goals. The presence of supervisors, advisors, directors, secretaries, treasurers, and heads of business units demonstrates a hierarchical system that supports transparency and accountability. The formal appointment mechanism through a Decree (SK) also strengthens the legitimacy of the organizational structure in accordance with the principles of institutional governance. Although not all business units are operating optimally and are still focused on the food court unit, this organization shows efforts to adapt to the village's potential. Thus, the results of this study strengthen the theory that a well-defined organizational structure is an important foundation for management effectiveness, although strengthening is still needed so that all business units can operate optimally and contribute to the village's economic independence.

Actuating in Food Court Management

The quality of human resources within the Village-Owned Enterprise (BUMDes) food court business unit in Katerungan Village is still limited in carrying out daily operations. They experience difficulties implementing work plans, including coordination between vendors, operational scheduling, and implementing cleanliness and service standards. Communication and motivation skills with vendors are also suboptimal, often leading to miscommunication regarding operational rules and profit-sharing systems. Skills in handling conflict and resolving operational issues still need to

be improved. On the other hand, there is positive potential from the management's dedication and commitment to developing this business unit. They demonstrate this in carrying out their duties, actively mentoring new vendors, and striving to meet daily needs. Their willingness to learn and accept positive feedback demonstrate that with appropriate guidance, management quality can be improved. Directing is a crucial function related to how leaders can direct, guide, and motivate organizational members to work toward shared goals. Directing isn't just about giving instructions; it also ensures each member is working to their full potential [18].

The chairman stated that *"the management of this village-owned enterprise demonstrates that direction is shared based on each individual's capabilities, yet flexibility remains to ensure operational activities continue to run smoothly."*

Regarding the implementation of payments for tenants' shophouses in the food court itself, each has its own section for collecting rent. The chairman stated that "for the treasurer, the management only focuses on managing finances because the food court is too complicated because most workers have difficulty managing their time, so the collection is handed over to all managers to handle whoever is able, that is, who collects the shophouse rent." The implementation of direction in the BUMDes emphasizes efficiency, where treasurers are directed to focus on financial areas according to their competencies. However, this direction is not made rigid, but allows for adjustments when needed.

Table 3. Financial report of the Barokah Makmur Katerungan village-owned enterprise

No	Year	Equity capital	Profit/Loss	Program BUMDes
1	2020	Rp 50.000.000	-	Initial capital investment for Pujasera
2	2021	-	(Rp 11.274.334)	Food court (culinary tenant, basic necessities)
3	2022	-	(Rp 11.435.200)	Adding menu variations & new tenants
4	2023	-	Rp 4.124.280	Food court is more stable
5	2024	-	26.905.044	Turnover increased to Rp. 59,711,970

Source: processed from Bumdes Barokah Makmur

Based on Table 3, the financial report shows the development of the Barokah Makmur Katerungan Village-Owned Enterprise (BUMDes) during the Covid-19 pandemic from 2020 to 2024. In 2020, BUMDes received an initial capital investment of Rp 50,000,000, which was used to establish a Food Court business unit as its main program. In 2021, the Food Court business began operating with the addition of culinary and grocery store tenants, but still recorded a loss of Rp 11,274,334 due to high operational costs. A similar situation occurred in 2022 when menu variations and new tenants were added, but the business still experienced a loss of Rp 11,435,200.

Entering 2023, the Village-Owned Enterprise (BUMDes) began to show

improvement, posting a profit of Rp4,124,280, in line with the operational stability of the Food Court. More significant developments occurred in 2024, with revenue increasing to Rp59,711,970 and net profit of Rp26,905,044. This indicates that the Barokah Makmur Katerungan Village-Owned Enterprise (BUMDes) has recovered from losses and is moving towards positive growth, with its food court business unit continuing to grow and making a significant contribution to improving the village economy.

Regarding the flexibility of the direction, the chairman said that *"rent collection used to be weekly, but there are some administrators who are workers so it was shifted to monthly. Even if the unit head is unable to collect rent, he can be represented by the secretary or other administrator who can handle it and in 2020 the price was reduced, due to the pandemic at that time, for 3 months the food court started to get busy and paid rent of 600,000/month, after the covid pandemic the rental price was reduced by 50% to 300,000/month, but at that time the economy was down so payments were made daily at 10,000-15,000/day, at that time there were still obstacles, some paid some did not and after covid the rental price for each shophouse was different for renting 2 shophouses at once for 800,000/month"*. This direction reflects the implementation of adaptive direction. In the theory of directive implementation, the adaptive aspect is crucial to ensure the organization is not dependent on a single individual but has a replacement mechanism to ensure activities continue. Therefore, directives within Village-Owned Enterprises (BUMDes) prioritize the principles of coordination and mutual substitution.

The facilities at the Barokah Makmur food court in Katerungan Village are generally adequate to support the business activities of its tenants. These include kiosks or business stands, a communal dining area, parking, electricity, clean water, and trash cans. The number of tenants has increased from 15 in 2021 to 18 in 2024, with businesses including coffee shops, food stalls, snack bars, grocery stores, and sports facilities (table tennis). This increase in tenants demonstrates growing public interest in joining the food court business.

Facility maintenance remains a major issue. Especially in the management of cleanliness, electricity, and other supporting facilities, most still rely on mutual cooperation between administrators and tenants, so there is no structured maintenance mechanism. The chairman said that *"for the facilities, there are already some, such as electricity, water, and parking, but when it comes to maintenance, we still only do mutual cooperation, there are no specific rules on who should be responsible."* The following table is related to the condition of the Katerungan Village food court facilities.

Table 4. Condition of Facilities of Bumdes Barokah Makmur, Katerungan Village

Field	Information
Number of Tenants	15 tenants (2021) → 18 tenants (2024) with only 15 active tenants remaining, only 3 tenants are inactive.
Type of business	Culinary (coffee shop, snacks, food stalls), grocery store and green club/table tennis court

Field	Information
Physical Facilities	Business kiosks/stands, shared dining areas, parking areas, electricity access, clean water, trash cans
Problems	a. Facility maintenance is still limited b. Management relies on mutual cooperation c. There is no clear maintenance mechanism

Source: processed from Bumdes Barokah Makmur

Based on Table 4 regarding the condition of the Barokah Makmur Village-owned enterprise (BUMDes) facilities in Katerungan Village, the number of tenants can be seen from 2021 to 2024. The number of tenants increased from 15 in 2021 to 18 in 2024, reflecting the growth of economic activity in the food court. The types of businesses available are quite diverse, including culinary businesses such as coffee shops, food stalls, and food stalls, as well as grocery stores and entertainment facilities such as a green club or table tennis court. The available physical facilities support tenant operations and visitor comfort, including kiosks or business premises, communal dining areas, parking, access to electricity, clean water, and trash cans. However, several issues remain that require attention, such as limited facility maintenance, management that still relies on mutual cooperation, and the lack of a clear maintenance mechanism. This indicates the need for efforts to improve facility management and maintenance so that the food court can function more optimally and sustainably.

The results of this study indicate that the actuating indicators (implementation of directives) in the management of the Barokah Makmur Village-Owned Enterprise (BUMDes) in Katerungan Village indicate that despite limited human resources, the directives are implemented adaptively, taking into account the capabilities of each administrator. This aligns with George R. Terry's management theory, which states that directives are not merely instructions but also include guidance, motivation, and coordination so that all members of the organization are able to work towards predetermined goals. Flexibility in the division of tasks, such as shifting the dues collection mechanism from weekly to monthly, reflects the adaptive implementation of directives to maintain operational continuity. Management's dedication to assisting traders and openness to input demonstrates potential for capacity development with further mentoring. Furthermore, the financial report shows that despite experiencing losses in 2021–2022, with more focused and efficient direction, the Pujasera business was able to recover and even record significant profits in 2024. However, weaknesses remain in the aspect of facility maintenance, which relies solely on cooperation without a clear mechanism, thus requiring a more structured direction system. Thus, the results of this study strengthen the theory that the effectiveness of direction is greatly influenced by management's ability to implement adaptive, efficient, and coordination-oriented direction, so that it can improve organizational performance and business sustainability.

Controlling in Food Court Management

Supervision is a crucial function that ensures that every activity is carried out in accordance with established goals and plans. Terry emphasized that supervision not only functions as a control tool, but also as an evaluation tool to assess whether implementation has met established standards. Supervision of Village-Owned Enterprises (BUMDes) shows that the supervision mechanism is embedded in the institutional structure, both through village supervisors and internal supervisors in each organizational unit [19].

The institution appointed to oversee the Management of Village-Owned Enterprises (BUMDes) in Katerungan Village, Krian District, Sidoarjo Regency, is supervised by an institution formed through village deliberation, namely the BUMDes Supervisory Board consisting of community leaders, village representatives and the Village Consultative Body (BPD). This Supervisory Board is tasked with ensuring that all BUMDes operational activities run in accordance with established regulations and objectives. They also provide recommendations and suggestions to the BUMDes director to maintain good governance, improve accountability, and oversee the implementation of work programs to provide optimal benefits to the community.

In addition, the oversight mechanism also involves the Village Consultative Body (BPD) which plays a formal role in ensuring BUMDes management is in accordance with the Articles of Association and Bylaws (AD/ART), work plans, and accountability reports submitted to the village government. This process is carried out through coordination meetings, periodic evaluation of financial reports and business activities, and providing input or reprimands if deviations are found. On the other hand, community leaders also play a role as social monitors by emphasizing aspects of transparency, trust, and community satisfaction with the existence of BUMDes. Oversight by community leaders is typically conducted directly, either through village deliberation forums or informal communication with BUMDes managers to convey aspirations, criticisms, and suggestions. With two layers of oversight involving village officials, the BPD (Regional Consultative Body), and community leaders, the Katerungan BUMDes is expected to be managed more transparently, accountably, and sustainably, particularly in supporting the success of the culinary business units it operates [2].

The chairman said *that "Bumdes has 2 types of supervision from the village and from community leaders as supervisors and also as input partners to the bumdes management."* In this quote, the village does not only carry out formal supervisory functions, but also plays an active role in providing feedback on ongoing financial programs.

Regarding the legitimacy of the BUMDes management through the inauguration by the village head, not an internal appointment, the chairman said *that "the BUMDes management was inaugurated by the village head, so it was not the BUMDes management who appointed it, but everything came from the village."* In this case, it shows the accountability mechanism in the planning of supervision, because the BUMDes management has external legitimacy to ensure that supervision is objective and impartial, and that the results of supervision can be accepted by all parties.

Regarding the supervisory system at the organizational structure and human resources level, the chairman said that *"the supervisory system itself has 2 members, each structure is to monitor and provide input to the BUMDes"* layered supervision, which in governance theory is interpreted as a clear division of roles and responsibilities, accompanied by accountability and transparency in decision making and task implementation.

In addition to the financial aspect, the challenges in maintaining the bumdes business, especially in the food court unit, the chairman said that *"the challenges we face in maintaining rapid competition, each vendor is not the same in terms of sales, maybe our challenge is trying to promote through social media, and as for the sales of stalls that may be the same as coffee shops, there are 2, maybe one of the stalls is quiet and busy, but for the next year, it is attempted that each stall sells one type of food. As for the obstacles, the rental income cannot be collected directly for one month because of the obstacles of stalls whose sales are quiet, such obstacles, the management is aware, but there is still a maximum limit for stalls in arrears, the maximum limit is 2 months in arrears."* that Supervision not only checks compliance with the plan, but also functions to maintain business balance to prevent detrimental internal competition. This includes preventive controls to minimize the risk of conflict between vendors while maintaining business sustainability.

Discussion

The results of this study indicate that the monitoring indicators at the Barokah Makmur Village-Owned Enterprise (BUMDes) in Katerungan Village indicate that the monitoring function has been implemented in accordance with George R. Terry's management theory, namely not only acting as a control tool, but also as an evaluation instrument to ensure that each activity is in accordance with the established goals and standards. The monitoring mechanism is carried out in layers through formal supervision from the Village Consultative Body (BPD) and social supervision from community leaders. This is in line with the principles of governance that emphasize transparency, accountability, and a clear division of roles within the organization. The legitimacy of the management appointed directly by the village head strengthens accountability and ensures the objectivity of the monitoring results, so that they are acceptable to all parties. Furthermore, monitoring not only focuses on administrative and financial compliance, but also functions to maintain business balance, prevent internal competition between tenants, and anticipate the risk of late rental payments. These findings strengthen the monitoring theory that emphasizes the importance of evaluative and preventive functions in maintaining business sustainability and ensuring that the benefits of BUMDes can be optimally felt by the village community.

CONCLUSION

Fundamental Finding : This study concludes that the management of the Barokah Makmur Village-Owned Enterprise (BUMDes) through the Pujasera business unit has played a vital role in enhancing the local economy and significantly contributing to Village Original Income (PADes). The functions of planning, organizing, actuating, and

controlling have been implemented effectively, although challenges persist regarding building layout, human resource limitations, and facility management. **Implication** : The results underscore the need for strengthening managerial capacity, promoting transparency, and fostering innovation in governance to transform Pujasera into a sustainable and inclusive center for community-based economic activities. **Limitation** : The study's findings are limited by its narrow scope, focusing solely on one business unit with a small number of informants, which may not fully represent the overall performance of BUMDes Barokah Makmur. **Future Research** : Further studies should explore the management of other BUMDes business units and conduct comparative analyses with similar enterprises in different villages to develop a broader and more comprehensive model for institutional-based rural economic development.

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