

Synergizing Online Business with BUMDES For Local Economic Resilience

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Abstract

The village is the foremost government agency that can reach the real target groups who want to be prosperous to achieve national development goals. One of the steps taken by the government is to form a business entity, namely a Village-Owned Enterprise (BUMDES). It is also expected to be able to stimulate and drive the economy in rural areas. Economic assets in the village must be fully managed by the village community. Sumber Sekar Village, Dau Subdistrict, Malang Regency, is a village that still has low capability and capacity of Bumdes as an economic institution at the village level. These problems are due to the limited competence of the community and the low capacity of village officials. This was also responded to by the 2020 Community Service Activities of Universitas Brawijaya. Aiming at building Sumber Sekar Village, Dau District, Malang Regency optimally to improve the quality of the community in developing various types of business carried out with online businesses. Introduction and understanding for BUMDes managers about business processes through training activities. Increasing capacity building in the community and increasing understanding of knowledge and technology in developing online-based businesses are a series of initiatives carried out by the academic community of Brawijaya University to the community of Sumber Sekar Village, Dau District, Malang Regency. So that in the future the economic development and welfare of the community will increase and the village will be better than before.

Keywords: Capacity Building; Online Business; BUMDes; Economy independence

Introduction

The village is the foremost government agency that can reach real target groups who want to make welfare for achieving national development goals. One of the steps taken is to form a business entity, namely a Village-Owned Enterprise (BUMDES) in accordance with Minister of Home Affairs Regulation No. 39/2010 concerning BUMDES. Regulation of The Minister of National Affairs number 39 of 2010 states that: "to improve the financial capacity of village governments in government administration and increase community income through various economic business activities for rural communities, village-owned enterprises have been established according to village needs and potentials".

BUMDES is also expected to be able to stimulate and drive the economy in rural areas. Economic assets in the village must be fully managed by the village community. The substance and philosophy of BUMDes must be imbued with the spirit of togetherness and self-help as an effort to strengthen its institutional economic aspects. At this stage, BUMDes will move in tune with efforts to increase the village's original sources of income, drive community economic activities in which the BUMDes' role is as an umbrella institution to oversee. This effort is also important in the framework of reducing the role of free-riders, which often increases transaction costs in community economic activities through the practice of rent-seeking Nurcholis, (2011).

Innovation and creativity in the world of information technology have provided business opportunities so that the downturn in the industrial world has had an increasing impact on the people's economy, like it or not, internet facilities are widely used for entrepreneurship. Online business, this term we may often hear lately, online business is also an industry with very potential business potential. This happens along with the times, which is currently the trend with online shopping that is being implemented by people all over the world, including Indonesia. From this, many companies initially implemented offline businesses and then began to expand into online businesses in droves. Seeing the above conditions, online business opportunities that take advantage of the internet network have provided opportunities for entrepreneurs to open business fields online.

Sumber Sekar Village, Dau District, Malang Regency as the target of an online business development program in collaboration with Brawijaya University 2020. This village is also very supportive of the "Village-Owned Enterprise (BUMDES) Online Business Development Initiation" program. So that it is hoped that it can provide positive changes for business people or the surrounding community. Therefore, the development of online businesses in Sumber Sekar Village is in order to improve the quality of Human Resources (HR) as well as improve the village economy and community welfare.

Materials and Method

a. Potential Mapping

Mapping the potential of the community in Sumber Sekar Village, Dau Subdistrict, Malang Regency, which includes the types of businesses owned, ownership, maps of plantation and agricultural areas and their surroundings. Likewise, mapping the potential of other supporters that will have benefits in doing business in the future, especially in the application of online business.

b. Field Verification

Field verification is carried out with the aim of reassuring the potential of communities in the surrounding areas to run their businesses. Especially are businesses that have been running so that in the future this business can be developed into an online business-based business. As well as ensuring that the proposed location does not overlap with other permits, with coordination between the community and government.

c. Market

The targeted market potential is consumers from within and outside the region (Malang Raya), including tourists who transit the village tourism market who do not know the products from Sumber Sekar Village, Dau District, Malang Regency.

Result and Discussion

Sumber Sekar Potensial Analysis

Based on the discussion with local government as well as residence in Sumber Sekar Village, in order to achieve local economic resilience, there were several potentials and problems which has to be resolved, such as institutional arrangement; Business structuring which consists of an online system, product quality, empowerment of rural communities, apart from Bumdes, it is necessary to provide guidance to farmers; Potential drinking water that can be managed by the village; Potential tourism market; citrus orchards and citrus farmers whose roles have not been optimized

Thus, SWOT analysis of the potential of Sumbersekar Village is as follows:

Strengths: The strength of Sumbersekar Village is the village's potential which is quite diverse, namely citrus farming, MSMEs, cafes, kiosks, and grocery stores that are already widely available in Sumbersekar Village. In addition, the potential for developing drinking water and tourism markets can also be the strength of Sumbersekar village if it is well managed

Weakness: Some of the things that are still weaknesses in Sumbersekar Village are institutional arrangements that are still not optimal, as well as management of village potential, such as drinking water, tourist markets, kiosks and citrus farming which are still not well organized.

Opportunities: Business arrangement consisting of an online system with good product quality, empowering village communities, coaching farmers and Bumdes, and managing institutional management in Sumbersekar village, can be a good opportunity for villages to develop village potential and build an independent economy

Threat: Some things that might pose a threat are the growing development of large retail stores which are still eager to enter Sumbersekar Village. This can weaken the economy of residents who are mostly dependent on income from small retail stores and owned MSMEs.

Online Business Platform

The website sumbersekar-mart.com is a means of conducting promotions and online buying and selling transactions specifically developed for the needs of Bumdes Sekar Abadi, Sumbersekar Village. There are several activities that can be done on this website, starting from viewing shop catalogs and goods sold in stores, updating store data and making purchases of goods at the store. However, the payment process is still done offline. The initial appearance of this website can be seen in the following picture (Figure 1)



Figure 1. Website for Business online. This online platform was a collaboration with the faculty of computer science.

The establishment of this online platform was a result in the development of an online marketing system through website development. Identification of business potentials that could be developed by Bumdes both online and in other forms of marketing were also included.

Based on the result, it demonstrated that development of online platform for business development as one of effort for local economic resilience has been strongly supported by both local government as well as local residents. It has been proved by the enthusiasm of the local government as well as residence to involve and actively participated in each process for this platform development.

Conclusion

The establishment of online platform (website) that contains several business potentials in Sumber Sekar village has been well developed and well supported. It has become opportunities as well as new ways for local economic resilience.

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