

The Role of Bumdes Karya Abadi in Improving the Community Economy Through the Surungan Market

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ABSTRACT

Objective: This research aims to describe and analyze the role of BUMDes in improving the community economy through the suurngan market. **Method:** the method used is descriptive qualitative with data collection techniques through observation, interviews, and documentation. **Results:** The results of this study indicate that First, the provision of administrative functions runs well through strategic planning, structured organization, and responsive supervision. Second, the provision of public services has met basic needs such as public facilities and communication with traders, but has not been fully digitized. Third, Participation in Policy Making and Implementation is still at a consultative level, with dominant policy decisions in the hands of the village government and BUMDes. Fourth, Public resource management shows a social orientation through scholarship and social assistance programs, but public transparency and technology utilization are still limited. **Novelty:** This study provides a new perspective by combining the analysis of the role of BUMDes using Chandler and Plano indicators in the context of declining market turnover. This study emphasizes the need to strengthen digitalization, increase substantive community participation, and data-driven evaluation as strategies to make market management more effective, inclusive, and sustainable.

INTRODUCTION

The village economy is one of the important pillars in sustainable national development. As part of the local economic system, villages have potential resources that can be utilized to improve community welfare. The Indonesian government has established various policies to strengthen the village economy, one of which is through the establishment of Village-Owned Enterprises (BUMDes). BUMDes was established to manage village economic resources to improve community welfare through various business sectors, such as trade, services, agriculture and tourism.

Legally, the existence of BUMDes has been regulated in various regulations that support its role as the driving force of the village economy. The main foundation underlying the establishment and management of BUMDes is Law No. 6/2014 on Villages, which gives authority to villages independently. In addition, Government Regulation No. 11 of 2021 on Village-Owned Enterprises affirms that BUMDes has legality as a legal entity that functions to improve the village economy and provide benefits to the community [2].

The role of BUMDes includes various actions and attitudes in carrying out its duties and responsibilities. The BUMDes Board of Directors is tasked with developing and fostering business entities so that they are able to grow into institutions that serve the economic needs of the community, maintain equitable distribution of village economic services, establish cooperation with other economic institutions in the village,

and optimize the economic potential of the village to increase the village's original income [11]. Other obligations include submitting business reports to the commissioner every month, holding monthly coordination meetings, providing activity reports to the village community through village meetings at least once a year, and compiling monthly reports and progress. The main objective of BUMDes is to encourage village economic growth and develop community businesses in managing local potential. The establishment of BUMDes is regulated through a Village Regulation, with management involving the village government and the local community. Based on the Village Law, BUMDes is a business entity whose capital is fully or partially owned by the village, derived from separated village assets, to manage assets, services, and other businesses for the greatest welfare of the village community.

BUMDes play an important role in driving village economic growth, one of which is through the management of traditional markets such as Pasar Surungan. BUMDes serves as the main manager, not only to increase village revenue, but also to empower the local community. In the management of Surungan Market, BUMDes is tasked with organizing and managing market activities as a whole. This task includes the management of traders, the provision of public facilities such as sanitation facilities, security, parking areas, and the arrangement of market stalls and lots so that trading activities take place in a neat, clean, and comfortable manner [19]. BUMDes also set market regulations that are agreed upon with the traders to ensure orderly trading. Through effective management, BUMDes can maintain price stability, facilitate the distribution of basic goods, and create healthy business competition among traders. In addition, the BUMDes plays a role in optimizing Village Original Revenue (PADes) through the management of Pasar Surungan [11]. Sources of revenue are obtained from market levies, kiosk rental, parking, and other services. This revenue is then used to support village development programs, social services, and strengthen BUMDes' capital in developing new business units. With good management, the presence of Pasar Surungan under BUMDes not only strengthens the village's economic turnover, but also helps realize the village's financial independence.

Table 1. Turnover of Pasar Surungan

No	Description	Income Gross	Expenses	Income Net
1.	Turnover Market Year 2022	IDR 499,139,000	IDR 34,173,500	IDR 464,965,500
2.	Turnover Market Year 2023	IDR 478,275,000	IDR 29,603,000	IDR 448,672,000
3.	Turnover Market Year 2024	IDR 321,270,000	IDR 40,262,279	IDR 281,007,721

Source: BUMDes Financial Report, data processed by researchers

Based on the data above, the Surungan Market in Penambangan Village shows that market turnover has decreased quite significantly. Which from IDR 464.9 million in 2022 to IDR 281 million in 2024. This decline has an impact on the economy of the Penambangan Village community, not only affecting the income of traders, but also reducing the contribution of BUMDes to village development, considering that most of the village's income depends on market activities. Therefore, the role of Village-Owned Enterprises (BUMDes) in managing and developing this market needs to be reviewed in order to strive to improve the community's economy through optimizing the management of Surungan Market.

There are several previous studies with research objects related to the role of BUMDes, as follows; First, Alviani et al (2023) with the title "The Role of Village Owned Enterprises (BUMDes) Berkah in Empowering Communities through Traditional Market Management in Bulang Village, Muara Enim Regency". The results showed that the management of traditional markets by BUMDes has had a significant positive impact on increasing the income, quality of life, and social stability of village communities. This journal also emphasizes the important role of BUMDes in encouraging sustainable rural economic growth [3]. Second, by Rizqiyatul Fitriyah et al (2024) with the title "The Role of Candiwates Village BUMDes in Improving the Community Economy Through Jande Market". The results showed that BUMDes succeeded in creating jobs for the community, especially housewives and youth, and strengthening the village economy. In addition, this journal also identifies internal and external factors that influence the success of BUMDes, such as good coordination, diversity of snacks, as well as the challenges of market location far from the main road and uncertain weather [2]. Third, by Jajang Abdul Nurhasan et al (2020) with the title "The Effectiveness of the Role of BUMDes on Increasing Community Income in Panjalu Village". This research discusses that BUMDes in Panjalu Village is effective in increasing community income through the management of various business units. BUMDes has succeeded in opening new job opportunities and mobilizing local potential, thus providing motivation for the community to develop their businesses. Although the BUMDes is well-managed and the funds collected are allocated to community needs, community participation in the planning, implementation, and monitoring and evaluation processes is still minimal [4]. This shows the need to increase community involvement so that the BUMDes program can be more optimal and in line with their needs.

Based on observations in the field, there are several problems in the role of BUMDes in Penambangan Village. Among them are the first, there are a number of problems that show that the role of BUMDes Karya Abadi in managing Pasar Surungan as an instrument of community economic empowerment in Penambangan Village has not been optimized. One of the main problems is the significant decline in market turnover from year to year. This decline not only affects the income of traders, but also reduces the BUMDes' contribution to Village Original Revenue (PADes) and other development programs. Secondly, the implementation of the duties and responsibilities of the BUMDes board of directors, which should include business development, coaching

of traders, utilization of local potential, and periodic reporting to the community, has not been fully effective. There is still weak internal coordination and less than optimal empowerment strategies for the community, especially in increasing community participation in market management and utilization of market facilities. Third, the lack of innovation in market management, limited business assistance for small traders, and low community involvement in the market deliberation and evaluation process have also worsened this condition. In fact, as a village-owned enterprise, BUMDes has a strategic position in increasing the economic independence of residents and strengthening local potential through a sustainable empowerment approach. Compared to the results of previous studies that show the significant role of BUMDes in improving community welfare through traditional market management, the conditions in Penambangan Village show a gap between the idealism of the role of BUMDes and the reality of its implementation. Based on the research issues above, the author is interested in identifying the results of research with the title *The Role of Bumdes Karya Abadi in Improving the Community Economy through Surungan Market using Chandler and Plano's theory*. This theory states that the role of a series of behaviors expected of a person or institution in accordance with a certain position or function in an organizational or governmental system that can be done through several indicators including: 1) implementation of administrative functions, such as planning, organizing, and supervising. 2) provision of public services, which includes the effectiveness and efficiency of services to the community. 3) participation in policy making and implementation, including two-way communication between the community and the government. 4) management of public resources, both human, financial, and physical assets, to support the achievement of public organization goals [21].

RESEARCH METHOD

The research method used in this research is a qualitative method with a descriptive approach. According to Sugiyono (2018) qualitative research methods are approaches based on the philosophy of postpositivism [25]. Carried out in a natural situation, with the researcher as the main instrument. Data collection techniques are triangulated; analysis is inductive and focuses more on meaning than generalization [25]. The research location used as a research site is in Penambangan Village, Balongbendo Subdistrict, Sidoarjo Regency because there are indications of problems. Data sources in this research consist of primary and secondary data. Primary data includes interviews, observations and documentation. Secondary data includes books, journals and articles that are relevant to the research. The informant determination technique used in this research is through purposive sampling, which is a technique of selecting sources or informants who are considered to have relevant information and in accordance with the research theme, because these informants are believed to be able to provide the data needed to support the research objectives. The data analysis technique was carried out through the Miles Huberman (1984) analysis model, which includes data collection, data reduction, data presentation, and conclusion making. Data collection is the collection of

research data carried out by researchers while in the field. While data reduction is done by selecting data that has been obtained in the field during the data collection process. And next is the presentation of data, namely the data that has been selected will be arranged until a conclusion is obtained, which is a conclusion activity based on the problems that have been determined [25]. The focus of the research uses the concept of Chandler and Plano's theory as an analytical knife related to the Role of BUMDes, which is composed of 4 indicators, namely; implementation of administrative functions, provision of public services, participation in policy making and implementation and management of public resources [21].

RESULTS AND DISCUSSION

Results

Role refers to the functions or responsibilities carried out by individuals or institutions in a system. Theoretically and practically, roles reflect real contributions in achieving certain goals, by showing how effectively individuals or institutions carry out their duties in accordance with the expectations and targets that have been set. This research was conducted through direct interviews with informants to obtain as much information as possible in accordance with the research objectives. Therefore, conducting interview activities, information was obtained as expected by the author according to Chandler and Plano's theory as follows:

1. Implementation of Administrative Functions

The indicator of the implementation of administrative functions is an assessment or measurement of the extent to which the role of BUMDes includes planning, organizing and supervising in managing and developing the Surungan market. In the implementation of this planning, it can be seen from how the BUMDes formulates the vision, mission, and development strategy of the Surungan market to support local economic growth. The following is information from an interview with Mr. Helmy as the Village Head in Penambangan Village, Balongbendo District, Sidoarjo Regency.

"This planning is what makes a success in managing village assets regarding the utilization of village assets by the community. First, all planning has been planned according to and refers to village regulations. Second, planning through BUMDes which refers to the regulations of Permendankri No. 11 of 2021 concerning management in BUMDes. In Penambangan village, there are culinary tours and souvenirs in the form of village markets and food courts which until now have been managed directly by BUMDes Karya Abadi for the synergy of the government, BUMDes managers and the community to work well together in saving a government asset which has been built which at that time was still a rundown traditional market, now it is close to becoming a modern market." (interview dated May 2, 2025).

The explanation of the statement from Mr. Helmy is also further reinforced by a statement submitted by Mr. Sulis as the Director of the Village-Owned Enterprises who expressed the importance of planning as follows.

"From the old Surungan market, there are still a small number of tenants, so we, the BUMDes, proposed an expansion of the market building to increase the number of tenants by requiring it to be more sterile and organized because there are still many potential traders who have not been accommodated either from the village of Penambangan or from. This each unit has its own management where in each unit there is a unit head and his staff as a place of communication if there is a problem to be reported directly to the BUMDes directly. BUMDes controls every day from the market management to report the results of income per day. In the management of the market, the head of the unit also reports the calculation of small change every day to account for the results of the report to the BUMDes supervisor, BPD and village government. The BUMDes always asks the traders about their progress and the majority of traders in the market have nothing to lose because every day the BUMDes plans to create events in the market." (interview dated May 2, 2025).



Figure 1. Comparison of the Market before and after Revitalization

Regarding the understanding of the Surungan market managers and the supporting documents above, in this case the role played by the village government, BUMDes managers, and the community in managing and utilizing village assets is very strategic and collaborative. This role is reflected through a careful planning process and in accordance with regulations, both as stated in the village regulation on BUMDes management. The village government and BUMDes work together in revitalizing Pasar Surungan, which aims to renew or redevelop the people's market to make it more modern, organized and able to accommodate more traders so that it can attract more buyers. This process includes improving physical infrastructure such as buildings, sanitation and public facilities as well as improving managerial aspects such as governance systems, services and promotions.

In the implementation of the organizing function, BUMDes Karya Abadi shows an active and strategic role in managing the technical operations of Surungan

Market, especially in terms of structuring and regulating sales activities by traders. This organization not only aims to create order in the market environment, but also as a form of implementing professional and participatory market governance. The process begins with a coordination meeting between the core BUMDes management, namely the Director, Secretary, and Treasurer, who are tasked with formulating and agreeing on the

technical implementation based on village regulations and considering the real conditions in the field. They develop a technical sales scheme that serves as a reference for selling activities at Pasar Surungan.

The first step in the organizing process was the socialization of the market to the traders, which was conducted openly and involved the village government and community leaders. The socialization aimed to convey village regulations related to market management, including placement rules, types of merchandise, hygiene provisions, and general market rules. With open communication, traders can understand and accept the rules imposed, thereby reducing the potential for conflict or dissatisfaction in the future. After the socialization stage, traders are classified based on the type of merchandise they sell. This grouping was divided into two main categories, namely dry goods traders and wet goods traders. Dry goods traders include those who sell basic necessities, clothing, household appliances, and other local MSME products. Meanwhile, wet goods vendors include those selling vegetables, meat, fish, coconuts, and other fresh agricultural products. This classification is done to facilitate the organization of market space, avoid mixing that can cause discomfort, and maintain the cleanliness and sanitation of the market environment.

Furthermore, in terms of the placement of los or stands (powder), BUMDes applies a lottery system as a form of effort to create fairness and transparency. This lottery system is conducted in front of all traders openly so that there is no favoritism or suspicion between traders. Through this method, all traders have the same opportunity to obtain a selling place without any discrimination or favoritism. This even and fair placement also allows equal distribution of visitors to all parts of the market, so that the economic potential can be felt by all traders, not only those in strategic positions.

In addition to the technical grouping and placement, the BUMDes also sets technical rules regarding operational schedules, stand cleanliness, security, and the retribution system. In this case, officers from market units such as the security team, cleaning team, and retribution team are also coordinated in a structured manner so that they are able to carry out their functions properly. Coordination between these sections is important to create an orderly, safe, clean, and comfortable market environment for traders and buyers. With this kind of careful organization,

BUMDes Karya Abadi not only performs a normative administrative role, but also demonstrates managerial capabilities that encourage the creation of an orderly, productive, and competitive village market. This strengthens Pasar Surungan's position as a strategic village asset in sustainably improving the local economy.

BUMDes' role in supervising the operations of Pasar Surungan is actively and consistently carried out through a daily control mechanism conducted by the market management. This supervision aims to ensure that all market activities run in accordance with predetermined rules as well as to maintain management transparency and accountability. Every day, the market management is obliged to report various important matters to the BUMDes, especially regarding the daily income obtained from trader

levies, as well as obstacles or problems that occur in the field. As stated by Mr. Helmy as the Head of Penambangan Balongbendo village, as follows.

"The supervision process is carried out daily by village officials and BPD through BUMDes employee reports which are evaluated monthly to find solutions to obstacles that arise. BUMDes is also fully responsible for reporting and supervision, with the main objective of empowering all levels of society, both young and old, directly and indirectly". (interview dated May 2, 2025)

Several Surungan market traders expressed their complaints regarding the condition of the market infrastructure, which still needs improvement. As stated by Mr. Wahid, a wet trader who had the following complaint.

"At that time, I was selling in this market, there was no water tap near the powder. Even though I sell meat, I often need water to clean the merchandise to keep it clean. So I have to take water from a tap that is a bit far away. I have told the head of the market unit and thank God the BUMDes immediately followed up" (trader interview, May 3, 2025).

A similar complaint was also conveyed by Mrs. Siti, a vegetable trader who revealed that:

"Yesterday, the roof of the building had a hole in it, when it rains the water goes straight into my powder. Then I told the head of the market unit and thankfully the BUMDes immediately repaired it" (trader interview May 3, 2025).

Based on the above phenomenon, it can be concluded that the indicators of the implementation of administrative functions are in accordance with the role theory according to Chandler and Plano, where in terms of planning, BUMDes has made a vision, mission, and market management strategy by referring to village regulations and Permendagri, as Chandler explains that planning is an important first step. In terms of organizing, BUMDes clearly divides tasks, such as the existence of unit heads, the division of trader types, and the powder lottery system, which is in accordance with Plano's view that organizations must be organized to make work more effective. In terms of supervision, BUMDes conducts daily controls and monthly evaluations, and quickly follows up on trader complaints such as leaking roofs and lack of water, which shows that supervision is active and in line with theory. So, overall, the way BUMDes works in the field reflects Chandler and Plano's role theory well.

2. Provision of Public Services

One of the main roles of public organizations is to provide quality public services to the community. Public services in this case include facilitating activities (facilitating access to services), regulating (regulating and setting service standards), and service providing (providing direct services to the public). In the context of Village-Owned Enterprises (BUMDes), public services involve the provision of facilities, transaction convenience, as well as the delivery of transparent information to the community, especially traders and market visitors. The results of the interview with the Head of Penambangan Village show that the Village Government through BUMDes Karya Abadi has paid attention to market services. Basic facilities available include parking areas,

public toilets, water reservoirs, and lighting in the market area. The BUMDes also provides a service office as a complaint center for traders.

"The village government instructs BUMDes to convey information about the provision of public services where services are the number one thing for transactions between sellers and buyers. Some banks have invited cooperation for non-cash payment access. However, the mindset of the community may not understand, so they still prefer cash transactions. The future plan is for this market to step on digitalization to facilitate and improve human resources for non-cash payments." (Interview with Village Head, May 3, 2025).

The BUMDes also explained that a fair arrangement of facilities has been carried out, including the distribution of lots or beds which is carried out by a lottery system to maintain transparency and equity. In addition, water tanks are provided in the north and south wet lot areas, as well as access to electricity for traders' needs. "We provide a market office for complaints, electricity, 2 water tanks each in the wet lot, and a two-sided parking lot. Lack of facilities is conveyed through the traders' association as a communication channel for traders' facility needs. We have socialized these service standards from the beginning of the market formation regarding the regulations in Surungan market." (Interview with BUMDes, April 2025).

For communication and service information between market managers and traders, BUMDes formed the Pasar Surungan traders' association in April 2025. Through this forum, information about services, rules, and complaints or aspirations are conveyed directly. In addition, the delivery of market policy information is carried out through open meetings, leaflets, and the posting of announcements in the market area. Between the market manager and the traders, BUMDes formed a paguyuban of Surungan Market traders in April 2025. Through this forum, information on services, rules, and complaints or aspirations are conveyed directly. In addition, the delivery of market policy information is done through open meetings, leaflets, and posting announcements in the market area.

Ideal public services in the era of modern governance should prioritize participatory, responsive, and innovative values. Public organizations, including BUMDes, should not only be technical implementers, but also facilitators of social change through adaptive and proactive services. Based on field data, BUMDes Karya Abadi has shown commitment in providing basic services to the community. However, aspects of innovation such as digitalization of payment systems, online complaint systems, and data-based evaluation are still not fully implemented. This may hinder the continuous improvement of public service quality.

The provision of public services by BUMDes Karya Abadi has fulfilled the basic needs of the community in the context of managing Surungan Market. BUMDes Karya Abadi in managing Pasar Surungan can be said to have run at a basic level. Public facilities such as clean water, electricity, parking areas, and service offices have been provided. Communication with traders has also begun to be formalized through the formation of a traders' association. This shows that BUMDes has understood the

importance of service as a key element in creating a functional and competitive village market.

From the above statement, if it is related to Chandler and Plano's theory of public service provision, it shows that it is in accordance with Plano's theory in the aspects of service providing and regulating, such as the provision of basic facilities (water, electricity, toilets, parking) and a fair lot distribution system. This reflects the organization's role in regulating and providing services. However, one crucial aspect that is not yet in full compliance is the digitization of services, such as online complaint systems, integrated information, and non-cash payments, which are now the standard of public service efficiency in various sectors. The main obstacle lies not only in technical infrastructure, but also in the readiness of human resources (HR) and the mindset of people who are still accustomed to conventional systems. This is a challenge that needs to be anticipated through digital literacy programs, continuous socialization, and technical training for managers and traders. In this case, public services are not only interpreted as providing facilities, but also include building a service culture that is adaptive to the times.

3. Participation in Policy Making and Implementation

Public participation is a key component in democratic governance, where people are involved in the process of formulating, implementing, and evaluating public policies. Citizen participation has levels from symbolic (manipulation) to substantive (citizen control). In market management by BUMDes, such participation includes community participation in designing rules, conveying aspirations, and directly monitoring the implementation of market policies. The results of the interview with the Head of Penambangan Village show that the community, especially the traders, began to be involved in a communication forum facilitated by the village government through the traders' association.

"Now a committee of Surungan Market traders has been formed and there are also representatives of community leaders. The BUMDes government reviews when there are reports, aspirations, complaints from the community and traders that are still submitted to BUMDes which are then discussed in the government as reporting in management through BUMDes." (Interview with Village Head, May 2025).

Interviews with the BUMDes confirmed that participation mechanisms have been facilitated since the policy formulation stage. The Village Regulation governing the market was drafted through a deliberative process involving representatives from RT and RW who represent the community. The process was followed by socialization of the policy to traders in the form of direct invitations and distribution of leaflets posted in the market area.

"Policy formulation for Surungan Market is the domain of the village through the village regulation on the village market. The community or traders have representatives from the BPD institution formed directly from the lowest level, from the residents through their RT/RW who represent in formulating village regulations on the market. After formulating it, it is determined by the village regulation on the market, then the

BUMDes invites the community or traders for us to socialize it. The delivery of policy information to community traders is first by inviting them, the second is providing new leaflets, information on the rules is posted in the market area." (Interview with BUMDes Party, 2025).

Table 2. Policy on Trif Rent and Service Fee of Surungan Market

No	Type Of Facility Rate Per Year	Type Of Facility Rate Per Year
1	Market Stand	
	a. Kiosk Permanent = Rp. 10,000/day (tile floor and water)	Rp .3.600.000/year
	b. Dry Permanent Loss = Rp. 6000/day (tiled floor)	Rp. 2.160.000/year
	c. Loss Permanent Wet = Rp. 6000/day (tile floor and water)	Rp. 2.160.000/year
	d. Permanent Emperan= Rp. 6000/day (stucco floor and water)	Rp. 2.160.000/year
2	Hawkers/Street Vendors (cast rebate floor and water)	
	a. Car	Rp. 7.000/day Rp.
	b. Motorcycle, Wheelbarrow	5.000/day Rp. 5.000/day
	c. Umbrella tent, Lesehan, itinerant	
3	Goods Transportationn Service	
	a. Cart	Rp. 10.000/6 hours/ unit
	b. Trolly	Rp. 10.000/6 hours/ unit
4	Market Parking Service	
	a. Wheeled vehicles 3 dan 4 above	Rp. 5.000/6 hours/ unit
	b. 2 Wheeled Vehicles	Rp.2.000/6 hours/ unit
5	Cleaning Service (Garbage Contribution)	
	a. Per Stand/Lapak/PKL (all traders)	Rp. 2.000/day
6	Restroom Facilities	Rp. 2.000/activity

From the results of these interviews, it can be concluded that although forms of community participation have been carried out, they are still consultative and not fully substantive in terms of decision-making. This participation is still at the "placation" level in the participation ladder model, where citizens are given space to voice their opinions, but the final decision is still held by the policy makers. There needs to be an increase in participation mechanisms that not only make the community a listener, but also a decider. By strengthening the function of the traders' association as a deliberative partner, providing more equitable access to information, and opening up space for regular policy evaluation, this participatory process will move from symbolic to transformative. In the long run, this will strengthen the community's sense of ownership of the market as a collective asset and improve the overall effectiveness of BUMDes management.

When linked to Chandler and Plano's role theory, community participation should reflect active involvement in the process of policy formulation and evaluation, not just the delivery of aspirations. In this context, the community has indeed been given space through the forum of the traders' association and RT/RW representatives in the village deliberation, which reflects the participatory aspect in accordance with the role of citizens state in the theory. However, decision making remains dominated by the village government and BUMDes, which shows that community participation has not been fully substantive. Therefore, it can be concluded that the implementation of participation in the management of Surungan Market is only partially in line with Chandler and Plano's theory, as it has not reached an optimal level of empowerment. To achieve full conformity, there needs to be a mechanism that encourages more active community involvement in decision-making and evaluation of market policies.

4. Public Resource Management.

Public resource management is a key dimension in village community empowerment, especially in the context of local economies managed through Village-Owned Enterprises (BUMDes). Weaknesses in human and financial resource management have led to a decline in community participation and trust in village public services. They emphasized that transparency, accountability, and community involvement in governance are key to improving the effectiveness of resource management. Similarly, they highlighted that the low capacity of human resources and the lack of funding allocation are the main obstacles in the implementation of community empowerment policies by BUMDes. Weak management not only reduces the performance of the institution, but also narrows the community's access to services and economic benefits from BUMDes programs. The Village Head also emphasized the importance of improving the capacity of BUMDes' internal human resources (HR) as a long-term strategic measure. This is done through direct coaching of market staff and managers with an emphasis on the quality of public services. The goal is not only limited to administrative technicalities, but also to establish service ethics and work discipline.

"The Village Government's program is to improve the quality of asset management by providing coaching to BUMDes and employees. We continue to improve resources so that their participation functions well in serving and providing good facilities by the traders." (Interview with Village Head, 2025)

Furthermore, he added that profits from market management are not only accumulated for the benefit of BUMDes business units, but also reallocated in the form of community social programs such as scholarships for underprivileged children, assistance for orphans, and other charitable activities. This indicates the social orientation of village asset management, which should be appreciated.

"We develop it again in increasing the business units in BUMDes with the potential of the village ... even from the percentage of social funds we send poor children to school, give to orphans and the poor, it's all from the decision of the village meeting." (Interview with Village Head, 2025)

The BUMDes provided a more technical explanation regarding the implementation of market operations. They have a dedicated unit head who is directly responsible for the daily activities of the market, such as retribution collection, cleaning, and supervision. Every day, the head of the unit prepares a report that is submitted to the BUMDes management and then periodically evaluated by the supervisor and village government. This daily reporting system is an effective form of internal control, although it is still manual.

"The head of the market unit every day after reporting to the BUMDes counts the change, accountable for the results of the report to the BUMDes supervisor, BPD and Village Government." (Interview BUMDes Party, 2025)

BUMDes also shows awareness of the importance of standardized public services, by initiating training programs for traders such as halal certification, product health checks, and socialization of safe food consumption. In fact, they have begun designing a cashless payment system in collaboration with banks, as an effort to modernize and streamline market transactions.

"Market traders have been implemented in 2024 by making halal licenses or halal certificates, then health officers see whether the conditions are feasible or not... Our goal is also to work with banks so that the market uses non-cash transactions to be more effective." (Interview with BUMDes, 2025)

The interview results above reflect the implementation of the concept of public resource management in the micro village context. Weak governance of public resources will result in a loss of public trust, especially if it is not accompanied by transparency and clear accountability. In the context of Penambangan Village, it appears that BUMDes Karya Abadi has a routine internal reporting mechanism that is supervised by village institutions, which is the foundation for healthy governance. However, weaknesses in management are still evident in the aspect of information systems and technology. One of the common obstacles in BUMDes is the limited technical capacity of human resources and the lack of a digitalization system, so administrative and reporting activities are still carried out manually, prone to inefficiency and potential data errors. In terms of public management theory, this condition illustrates that BUMDes is still in the capacity building phase, where the institution is strengthening the internalization of values, structures, and procedures before entering the policy institutionalization level. This is relevant to the developmental governance approach, which emphasizes that local governance needs to be built gradually, through human resource development and strengthening technology-based information systems.

Discussion

The management of public resources by BUMDes Karya Abadi in Penambangan Village generally represents a progressive, socially oriented, and promising pattern of local governance within the framework of village community empowerment. The function of Pasar Surungan is not merely a vehicle for economic transactions, but has also been interpreted as an instrument for the redistribution of development benefits to vulnerable groups through the allocation of business proceeds for education, social

assistance, and other social activities. This represents a paradigm shift of BUMDes from a purely economic entity to a more inclusive and socially just institutional model. On the other hand, the existence of regular reporting and internal structures such as unit heads, supervisors, as well as regular communication channels to the village government indicate that internal governance has been established quite systematically. This suggests that the principles of accountability, responsiveness and effectiveness have begun to be implemented, although still on a limited scale and requires strengthening in terms of technology and data disclosure.

However, significant challenges remain in the areas of institutional capacity and system technologization. Reliance on manual reporting systems and the absence of digital integration in financial management hamper long-term effectiveness. In addition, although internal reporting mechanisms are in place, broad public transparency - such as community involvement in social audits, digital financial publications, and public accountability forums - has not been optimized. In fact, these aspects are important elements in creating collective community trust in the BUMDes institution. Furthermore, the absence of standardized performance measurement instruments and the lack of data-based evaluation means that strategic decision-making still tends to be based on individual manager perceptions. This can lead to bias in prioritizing market development and the use of social funds. Thus, the management of public resources in the context of Pasar Surungan not only reflects administrative progress, but also illustrates the dynamics of institutional transformation at the village level. This effort should be appreciated as a first step towards a BUMDes model that is professional, adaptive to change, and oriented towards sustainable social development. However, the sustainability of this process is highly dependent on the seriousness of the village government and BUMDes in encouraging innovation, transparency, and strengthening meaningful public participation.

The above facts, when related to Chandler and Plano's theory, have shown that they are partially in accordance with the theory, especially in terms of internal accountability and social orientation. Daily reporting mechanisms, human resource development, and social programs are positive points. However, there are still shortcomings in the aspects of public transparency, use of technology, and performance evaluation standards. To achieve more effective and participatory governance, it is necessary to improve system digitalization, information disclosure, and data-based performance measurement.

CONCLUSION

Fundamental Finding : The management of Pasar Surungan by BUMDes Karya Abadi has demonstrated important contributions to local economic growth through effective strategic planning, organizational structuring, and socially oriented programs, yet it remains suboptimal in service digitalization, transparency, and substantive community participation. **Implication :** These findings highlight the need for strengthening market governance by adopting digital innovations such as online

complaint systems and non-cash payments, institutionalizing transparent reporting, and fostering participatory mechanisms that empower the community in policy direction to ensure adaptive, modern, and inclusive services. **Limitation** : This study is limited by its single-case focus on Penambangan Village and reliance on qualitative insights, which restrict broader generalization and do not fully capture the perspectives of traders or market users. **Future Research** : Future studies should apply comparative and mixed-method approaches, evaluate the effectiveness of digital service innovations in traditional market management, and investigate participatory governance models that balance efficiency with inclusivity in strengthening rural economic institutions.

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