



DEVELOPMENT STRATEGY FOR VILLAGE ENTERPRISE (BUMDES) USING SWOT ANALYSIS IN CIHIDEUNG ILIR VILLAGE

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Abstract

This research, conducted in Cihideung Ilir Village, Ciampea District, Bogor Regency, at Ngahiji Village-Owned Enterprise (BUMDes) in June 2022, unveils the exceptional resource potential of BUMDes Ngahiji. While the enterprise currently requires assistance in understanding business planning and financial management, its potential for growth and development is undeniable. The research aims to not only analyze the potential of BUMDes Ngahiji but also to identify internal and external factors that affect its development and map alternative business strategies that it can employ. The methods used are SWOT analysis. The results of this research are expected to be a beacon of hope, serving as an essential reference in managing and promoting village potential, and supporting economic development and community empowerment and institutions.

Keywords: Strategy, BUMDes SWOT Analysis and Cihideung Ilir

INTRODUCTION

With the number of villages reaching 74,794 (Decree of the Minister of Home Affairs Number 146.1-4717 of 2020), Indonesia has the potential for natural resources, humans, institutions, facilities and infrastructure that are large to support the acceleration of achieving community welfare. However, the resources owned have yet to be managed and utilized optimally. Therefore, village-based national development is needed to strengthen the country's economic order, accelerate poverty alleviation, and reduce the development gap between rural and urban areas.

Village development planning is one of the strategic things in implementing village government. Therefore, good planning (based on digital and spatial information) and involving community participation in managing resource potential to support economic development and community empowerment are demands in the current era.

Village-owned enterprises (BUMDes) are not just economic institutions/agencies; they are the backbone of the village economy. Their success is contingent on the optimization of resource potential and the active involvement of the community in their management. BUMDes is not just an effort to empower the community; it is a platform for increasing welfare and Village Original Income (PADes). The establishment of BUMDes is not just a program that is given more attention and is made a priority by the

government; it is a call to action for every member of the community to contribute to the advancement and prosperity of their Village.

Cihideung Ilir Village is one of the villages in the Ciampea sub-district, Bogor Regency, with an area of 178 Ha/Km² with a population density of 10,184 people, consisting of 2,506 families. With a distribution of 5,704 men and 4,480 women. In Cihideung Ilir Village, there is a BUMDes named Ngahiji. The existence of BUMdes Ngahiji is fairly well-known where it can socialize the superior products of Cihil Food UMKM. The superior products produced are processed stick and cracker foods from catfish mixed with Moringa leaves.

While BUMDes Ngahiji currently has promising potential, it is crucial to note that in the economic sector, it has not been supported by relevant human resources, especially in terms of qualified business planning capabilities. This is particularly evident in efforts to develop sustainable stages in the tourism, agriculture, and forestry sectors. The understanding of business planning, financial management, and entrepreneurship are basic focuses that must be improved immediately so that village development goals through BUMDes can be achieved. The urgency of this need cannot be overstated.

This study aims to assist BUMDes in mapping resource potential and providing alternatives for developing BUMDes through designed business strategies. Based on the background that has been described, considering the importance of business strategy in a business, the author is interested in analyzing the development strategy at BUMDes Ngahiji in Cihideung Ilir Village.

METHOD

Initial implementation of activities is the collection of secondary data from the internet and previous reports. Then an analysis of the general conditions of the Village, socio-economic conditions, village potential, and a review of the form of student research and previous doses in Cihideung Ilir Village is carried out. With the following stages:

1. Preparation

This stage begins with a team preparation meeting to formulate the things needed in the research by referring to the proposal that has been submitted. Furthermore, secondary data collection is carried out. This stage is carried out in the 1st month (1 month) with indicators of secondary data achievement and equipment and materials obtained.

2. Data collection (survey and mapping)

The implementation of this stage begins with a Focus Group Discussion (FGD) with the Ngahiji BUMdes Manager, Village Government and the community regarding the implementation of village potential mapping in order to obtain information regarding location coordinates, physical realization

area and information including the name of the administrative area (Village, hamlet and RT / RW) which is the basis for making a village potential map.

3. Data Processing and Analysis

Data is processed to develop village potential. For BUMDes analysis, SWOT is used to identify strategies and design business models (Widyawati et al. 2019).

RESULTS AND DISCUSSION

The formulation of alternative strategies for BUMDes Ngahiji is carried out using SWOT Analysis and then determining the best alternative strategy that BUMDes Ngahiji can implement.

Table 1. Results of SWOT Matrix Analysis

IFE EFE	STRENGTH (S)	WEAKNESS (W)
	<ol style="list-style-type: none"> 1. Sufficient BUMDes capital funds 2. Has adequate resource potential 3. The raw materials used are quality raw materials 4. The production process is systematic 5. Has a snack production business manager who directly controls and supervises the implementation of the production process 6. Cihil Snack products have halal certificates 7. Has a Decree of the Ministry of Law and Human Rights 8. Complete product permits and legality 	<ol style="list-style-type: none"> 1. There are still not many product variants 2. The product market has not been formed, there is no constant demand 3. The marketing system only prioritizes conventional and has not fully maximized online media 4. Has not yet carried out product innovation 5. Cihil Food product production is only carried out on the Pre-Order (PO) system 6. Lack of promotional activities 7. Has not utilized the marketplace as a means of online sales
OPPORTUNITY (O)	STRATEGI S-O	STRATEGI W-O
<ol style="list-style-type: none"> 1. The Local government supports BUMDes activities 2. Has village potential to be developed 3. Economic growth affects the level of product demand 4. Cooperation between companies for village activities 5. The location of the factory is quite strategic 	<ol style="list-style-type: none"> 1. The company must maintain the quality of production used to make snacks (S1, S2, S6,, O5). 2. Utilizing cooperation with companies around the Village to promote Cihil Snack products in the community (S2, O4). 3. Expanding product marketing, so that production certainty becomes clear 	<ol style="list-style-type: none"> 1. Creating new product innovations (W3, O5) 2. The company takes advantage of economic growth by improving the marketing system by maximizing online media, (W2, O3) 3. Creating new business units that can become profit centers. (W3, W4, O5).

TREATH (T)	STRATEGI S-T	STRATEGI W-T
<ol style="list-style-type: none"> 1. Many similar snack products 2. Easy to duplicate 3. Bumdes only has a local market segment 4. Tight competition among existing competitors 	<ol style="list-style-type: none"> 1. Can utilize long-term cooperation between villages to face existing competitors in Snack products (S6, T4). 2. Utilize a computerized production process to develop products and develop marketing strategies for small areas and broader market segments (S2, T3). 	<ol style="list-style-type: none"> 1. Increase the use of online media for marketing purposes (W2, T3). 2. More product innovation and expanding marketing areas to face sales levels during the COVID-19 pandemic and to be able to face competition with competitors. (W3, T2, T3, T4). 3. Utilize locally available raw materials. (W1, T1).

Based on the analysis using the SWOT matrix as in the table above, various alternative strategies can be developed by BUMDes Ngahiji, as follows:

1. SO Strategy

SO strategy is a strategy that uses the strengths it has to gain advantage from existing opportunities. The strategies are as follows:

- a. The company must maintain the quality of production used for making Snacks (S1, S2, S6,, O5).
- b. Utilizing cooperation with companies around the Village to promote Cihil Snack products in the community (S2, O4).
- c. Expanding product marketing, so that production certainty becomes clear

2. WO Strategy

- a. WO's strategy is to overcome weaknesses by utilizing existing opportunities. Possible strategies that can be carried out include
- b. Creating new product innovations in terms of form and quality for the product.
- c. The company takes advantage of economic growth by improving the marketing system by maximizing online media.
- d. The increasing need to carry out product innovation and renewal so that the product production results are better and of higher quality.

3. ST Strategy

- a. ST strategy is a strategy that uses the strengths it has to face threats, as follows:
- b. Can utilize long-term cooperation to be able to face existing competitors in the product
- c. Utilizing a computerized production process to develop products and develop a sock marketing strategy not only but also for a wider market segment.

4. WT Strategy

- a. WT strategy is a strategy to overcome weaknesses by avoiding threats, as follows:
- b. Increase the use of online media for marketing purposes.

- c. More product innovation and expanding marketing areas to face sales levels during the COVID-19 pandemic, and can face competition with competitors.
- d. Utilizing local raw materials available in the village area to the maximum

CONCLUSION

BUMDes Ngahiji has potential resources that can be developed, but currently it has not been managed optimally. Based on the research conducted, it can be concluded that the business strategy at BUMDes Ngahiji, Cihideung Ilir Village, Ciampea District, Bogor Regency by conducting a SWOT analysis resulted in 3 S-O strategies, 3 W-O strategies, 2 S-T strategies and 3 W-T strategies. This is based on the Strengths, Weaknesses, Opportunities and Threats owned by BUMDes Ngahiji. Alternative business development strategies that can be carried out by BUMDes Ngahiji based on the SWOT Matrix Analysis are creating new product innovations and improving production quality by using a computerized system for product development so that they can face competition with competitors and maximize the use of online media to expand the product market.

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