

Strategy for Improving the Competitiveness of Village-Owned Enterprises (BUMDes) (A Case Study in Bogor Regency)

Rachmat Ramadhan^{✉1}, Muhammad Findi², Nora Herdiana Pandjaitan¹

¹ *Master's Program in Small and Medium Industry Development, Graduate School, IPB University*

² *Department of Management, Faculty of Economics and Management, IPB University*

Abstract

Village-Owned Enterprises (BUMDes) play a strategic role in driving the rural economy, yet many face competitiveness challenges due to limited human resources, weak financial management, and low digital literacy. This study aims to: (1) identify the factors that strengthen the competitiveness of BUMDes in Bogor Regency; and (2) analyze the influence of product management and marketing, as well as formulate strategies to enhance community understanding in strengthening the competitiveness of BUMDes. A quantitative approach was employed, involving 30 respondents from both advanced and developing BUMDes. Data were analyzed using the IFE, EFE, IE, SWOT, and QSPM matrices. The results showed IFE and EFE scores of 3.02 and 3.00, respectively, placing the BUMDes in Cell I of the IE Matrix, which indicates a grow-and-build position. A total of 11 alternative strategies were formulated. The top-priority strategy was participation in government training programs to enhance financial management systems, digital technology skills, and human resource capacity (STAS = 5,61), followed by establishing independent business outlets (STAS = 5,48), and strengthening collaboration with BUMDes from other regions (STAS = 5,37). This study concludes that improving human resource capacity through government-facilitated training is the highest-priority strategy for addressing the internal weaknesses of BUMDes.

Keywords: BUMDes, development strategy, EFE, IFE, QSPM, SWOT

Copyright (c) 2026 Rachmat Ramadhan

✉ Corresponding author :

Email Address : Rachmat.dhan12345@gmail.com

INTRODUCTION

The primary purpose of establishing BUMDes is to serve as an engine for the village economy and to improve the welfare of rural communities. The establishment of BUMDes is expected to foster new businesses rooted in existing local resources while optimizing the economic activities already underway within the village (Dewi, 2014). This function is inherent to all village governments. To realize this objective, adequate competence in BUMDes management is essential. The initial capital for establishing BUMDes lies in the village's desire to establish such an enterprise and to properly manage its assets.

According to the Center for the Study of Development System Dynamics (PKDSP, 2007), the positive impacts of having a village-managed economic institution—namely BUMDes—include: (a) enabling rural producers to benefit from the price margin on their products; (b) preventing consumers from bearing excessively high purchase costs; (c) fulfilling the basic daily needs of villagers; (d) acting as the main distributor for nine basic commodities; (e) facilitating financial transactions such as credit and savings; and (f) other related benefits. However, the

establishment of BUMDes cannot proceed as planned without active community participation. Community participation serves as the cornerstone for achieving the objectives of BUMDes establishment.

As illustrated in Figure 1, there has been a noticeable decline in the contribution of Village Original Revenue (Pendapatan Asli Desa – PADES). Law Number 6 of 2014 concerning Villages stipulates that PADES is revenue obtained by the village from business proceeds, asset management, self-help initiatives, participation, mutual cooperation, and other village-originated income (PRI, 2014). In 2022, PADES increased significantly by IDR 317,509,125 (from IDR 413,885,905 in 2021 to IDR 731,395,030 in 2022). However, in 2023, it decreased by IDR 6,420,405 (to IDR 724,974,625). This downward trend continued in 2024, with a further decline of IDR 81,044,415, bringing the total to IDR 643,930,210.

Table 1. Likert Scale

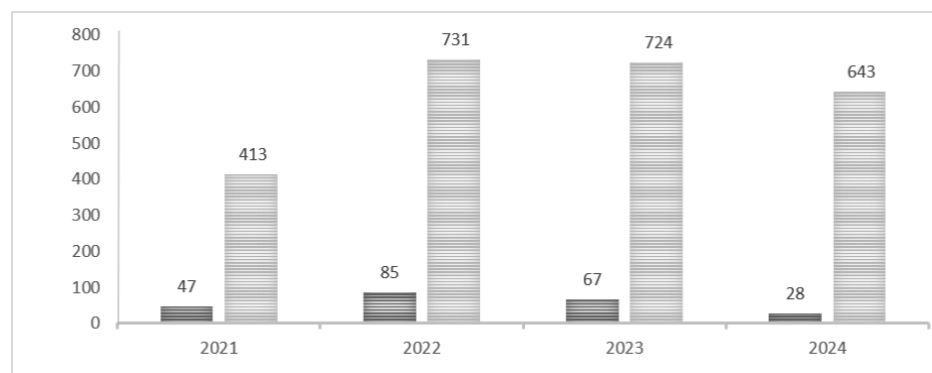


Figure 1. Contribution of BUMDes to PADES

Given this data, the present study was conducted with the following objectives:

1. To identify the internal and external factors that strengthen the competitiveness of BUMDes in Bogor Regency.
2. To formulate appropriate strategies for improving competitiveness by analyzing the influence of product management and marketing, as well as enhancing community understanding

RESEARCH METHODOLOGY

This research was conducted from September 2025 to July 2026. Data were collected from 30 BUMDes operating in Bogor Regency.

Both primary and secondary data were utilized in this study. Primary data were obtained through a structured questionnaire distributed to BUMDes managers. Secondary data were collected from BUMDes administrative documents covering the 2021–2024 period, including financial reports, BUMDes ranking documents, and PADES contribution reports. A laptop equipped with Microsoft Excel, Microsoft Word, SPSS, and Google Forms was used for data processing and analysis.

A non-probability sampling method was employed, meaning not all members of the population had an equal chance of being selected. Specifically, purposive sampling was applied, as the respondents were required to be managers of BUMDes in Bogor Regency with either advanced or developing strata. The questionnaire was administered via Google Forms to 30 eligible respondents.

Data were processed using MS Office Excel for the IFE, EFE, and IE matrix analyses. The questionnaire used a Likert scale to measure respondents' levels of agreement with each statement. The Likert scale was based on a 5-point system: Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree. As stated by Sugiyono (2019), the Likert scale is suitable for

measuring attitudes, opinions, and perceptions regarding social phenomena. Through this scale, measured variables were broken down into indicators, which subsequently served as the basis for constructing the instrument items.

Table 1. Likert Scale

Skala	Skor	Rentang Skala
Sangat Setuju (SS)	5	4,21-5,00
Setuju (S)	4	3,41-4,20
Netral / Ragu-Ragu (N)	3	2,61-3,40
Tidak Setuju (TS)	2	1,81-2,60
Sangat Tidak Setuju (STS)	1	1,00-1,80

Source: Sugiyono (2019)

After determining the Likert scale, weighting, assessment, rating, and scoring procedures were conducted within the SWOT analysis framework (Komala & Munandar, 2025). The QSPM matrix was then applied to determine strategic priorities. This matrix facilitates objective decision-making by providing a quantitative basis for selecting the most feasible strategies for implementation (Putri et al., 2025).

RESULTS AND DISCUSSION

Respondent Characteristics

The respondents in this study were managers of advanced and developing BUMDes in Bogor Regency. The purposive sampling criteria were based on: (1) BUMDes reputation; (2) Advanced BUMDes strata; and/or (3) Developing BUMDes strata. Based on the questionnaire distribution, data were successfully collected from 30 respondents who met these criteria.

Respondent characteristics were assessed across five aspects: gender, age, highest educational attainment, respondent status, and length of involvement in BUMDes management. Understanding these characteristics is crucial, as human resource capacity is a key determinant of successful BUMDes management (Silaban & Muflikh, 2025).

Instrument Testing

Validity and Reliability Tests

The validity test results confirmed that all 20 statement items (P01 to P20) were valid, with calculated *r*-values exceeding the *r*-table value of 0.361 and significance values (Sig. 2-tailed) below 0.05. This indicates that all items effectively measured the intended constructs and were consistently understood by respondents. Consequently, the research instrument was deemed fit for further analysis.

The reliability test yielded a Cronbach's Alpha value of 0.868 for the 20 items. This value comfortably exceeds the minimum threshold of 0.60, indicating very good internal consistency. According to Ulber's (2019) interpretive criteria, a value of 0.868 falls within the high-reliability category ($0.8 \leq \alpha < 0.9$).

Analysis of Internal and External Factors

Internal factors were identified based on the questionnaire responses from the 30 BUMDes managers. Since all 20 items were declared valid, the IFE analysis focused specifically on the 10 items categorized as strengths (5 items) and weaknesses (5 items). Similarly, external factors were identified through the questionnaire. Five opportunity factors and five threat factors relevant to BUMDes operations in Bogor Regency were successfully identified.

The total weighted score for the internal factor analysis (IFE) was 3.02, while the total score for the external factor analysis (EFE) was 3.00. These scores position the BUMDes in Cell I of the IE Matrix (see Figure 2). According to David (2011), organizations in Cell I are

recommended to pursue grow-and-build strategies through intensive and integrative approaches. Intensive strategies include market penetration, market development, and product development. For BUMDes in Bogor Regency, market penetration could be strengthened through enhanced promotion of superior village products. Market development could target neighboring sub-districts, while product development could involve diversifying products based on local potential. Integrative strategies include backward integration (building partnerships with local suppliers), forward integration (establishing independent retail outlets), and horizontal integration (collaborating with other BUMDes).

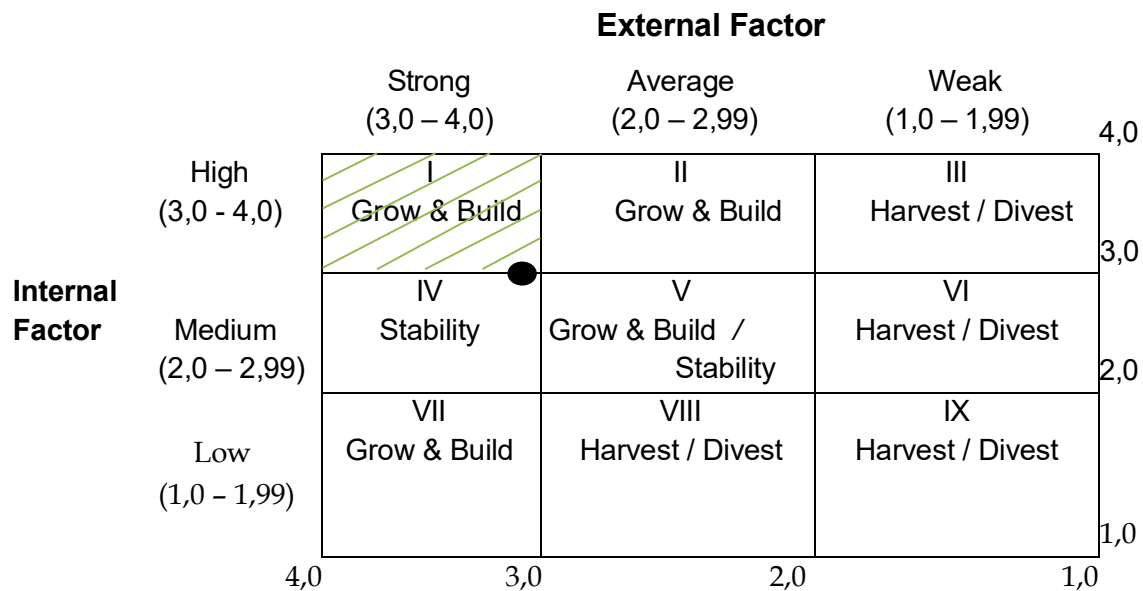


Figure 2. IE Matrix

SWOT Matrix

The SWOT analysis generated four strategic alternative cells, as presented in Figure 3. These alternatives were derived from the combination of previously identified internal and external factors.

Eksternal	Opportunities (O)	Threats (T)
Internal	1.Deserta memiliki potensi wisata atau produk unggulan yang dapat dikembangkan oleh BUMDes. 2.Pemerintah atau lembaga terkait sering mengadakan pelatihan untuk BUMDes. 3.Banyak warga mendukung penggunaan produk lokal. 4.Pertumbuhan teknologi digital dapat mendukung promosi BUMDes. 5.Keterbukaan informasi melalui media digital memberikan peluang bagi BUMDes untuk memperluas pasar dan menjangkau konsumen baru.	1.Pesaing di luar desa menjual produk serupa. 2.Perubahan tren dan preferensi konsumen yang semakin cepat. 3.Sebagian warga kurang percaya terhadap pengelolaan BUMDes. 4.Perubahan aturan dapat mengganggu kelangsungan usaha BUMDes. 5.Perubahan struktur organisasi pemerintahan desa yang berulang menyebabkan ketidakstabilan dalam manajemen dan arah kebijakan BUMDes..
	Strenght (S)	STRATEGI SO:
1. Produk atau jasa BUMDes sesuai dengan potensi lokal desa. 2. BUMDes memiliki pengelola yang memahami pengelolaan usaha desa. 3. BUMDes aktif menjalin kerja sama dengan masyarakat dan mitra desa. 4. BUMDes berada di lokasi usaha yang strategis. 5. BUMDes mendapat dukungan dan pengawasan dari Pemerintah Desa.	1. <i>Market Development</i> (S1, S2, O1, O5) Perluasan pasar mengenai produk unggulan melalui teknologi digital. 2. <i>Product Development</i> (S1, S3, O1, O3) Melakukan pengembangan produk yang berpotensi melalui dukungan warga dan mitra desa. 3. <i>Forward Integration</i> (S2, S3, S5, O2, O4) Membuka gerai sendiri didukung dengan pelatihan dan teknologi digital.	1. <i>Product Development</i> (S1, S2, S3, T1, T2) Menciptakan produk unggulan baru agar bisa bersaing dan mengikuti tren. 2. <i>Backward Integration</i> (S4, S5, T1, T3) Memperkuat pengawasan PEMDES untuk membangun kepercayaan warga melalui transparansi pelaporan.

Weaknesses (W)	STRATEGI WO:	STRATEGI WT:
1. BUMDes belum memiliki sistem pencatatan keuangan yang rapih.	1. <i>Backward integration</i> (W2, W5, O2, O4) Mengikuti pelatihan dari pemerintah untuk meningkatkan kapasitas mengenai sistem keuangan, teknologi, dan SDM.	1. <i>Backward Integration</i> (W1, W5, T4, T5) Siapkan sistem keuangan dan SDM yang patuh terhadap perubahan aturan dan struktur desa.
2. Pengelola BUMDes kurang menguasai teknologi digital dan promosi online.	2. <i>Horizontal Integration</i> (W3, W4, O2) Membentuk konsorsium antar BUMDes untuk melakukan pembelian bersama dengan memanfaatkan program pemerintah.	2. <i>Horizontal Integration</i> (W4, T1, T5) Melakukan kerja sama dengan BUMDes di daerah lain dengan tujuan menggabungkan sumber daya demi menghadapi persaingan dan perubahan.
3. BUMDes jarang melakukan inovasi atau diversifikasi produk.	3. <i>Market Development</i> (W2, W4, O4, O5) Memanfaatkan media sosial untuk promosi dan perluasan pasar.	3. <i>Market Penetration</i> (W3, T2, T3) Memperbanyak titik penjualan dan promosi di desa sendiri.
4. Pembiayaan BUMDes masih sangat terbatas.		
5. BUMDes belum memiliki sistem pengembangan sumber daya manusia yang terencana dan berkelanjutan.		

Figure 3. SWOT Matrix

QSPM Matrix

The Quantitative Strategic Planning Matrix (QSPM) was employed to rank the strategic alternatives derived from the IE and SWOT matrices. It provides a quantitative evaluation by assigning an Attractiveness Score (AS) to each strategy, reflecting its effectiveness in leveraging strengths and opportunities or overcoming weaknesses and threats.

Based on the Sum Total Attractiveness Scores (STAS) presented in Table 2, the **backward integration** strategy, which falls under the WO (*Weaknesses-Opportunities*) quadrant, emerged as the top priority. This strategy emphasizes participation in government training to improve financial systems, digital technology mastery, and human resource capacity, achieving the highest STAS of **5.61**.

The second and third priorities were **forward integration** (SO strategy) and **horizontal integration** (WT strategy), with STAS values of 5.48 and 5.37, respectively. The forward integration strategy recommends opening independent outlets supported by training and digital technology, leveraging internal strengths such as managerial competence, strategic location, and village government support.

These QSPM results provide clear guidance for BUMDes in Bogor Regency to focus their initial efforts on human resource capacity building through government training programs. The other strategies can then be implemented gradually, depending on each BUMDes' available resources and capacity.

No	Alternative Strategy	STAS
1	Participate in government training to improve capacity in financial systems, technology, and human resources.	5,61
2	Open independent outlets supported by training and digital technology.	5,48
3	Collaborate with BUMDes from other regions to combine resources in facing competition and change.	5,37
4	Form a consortium among BUMDes for joint purchasing by leveraging government programs.	5,26
5	Prepare financial systems and HR that are compliant with regulatory and structural changes in the village.	5,15
6	Develop potential products with support from villagers and village partners.	5,04
7	Expand the market for superior products through digital technology.	4,92

8	Utilize social media for promotion and market expansion.	4,92
9	Create new superior products to compete and follow trends.	4,81
10	Increase the number of sales points and promotions within the village itself.	4,76
11	Strengthen Village Government supervision to build public trust through transparent reporting.	4,63

Table 2. QSPM Matrix

CONCLUSION

1. The IFE analysis results indicate that BUMDes in Bogor Regency possess a strong internal position, with a total score of 3.02. Their primary strengths include products aligned with local potential and strong support from the Village Government. However, notable weaknesses persist, particularly limited mastery of digital technology and the absence of a systematic financial recording system. This implies that, internally, BUMDes possess strong potential but remain constrained by technical and administrative challenges that need to be addressed promptly.
2. The QSPM analysis determined that the highest-priority strategy for enhancing the competitiveness of BUMDes is to participate in government-sponsored training programs. This strategy directly addresses the core weaknesses identified, particularly in technology, financial recording, and human resource development, as reflected in its highest STAS score of 5.61. The other priority strategies are opening independent outlets and establishing collaborations with BUMDes from other regions. Therefore, this study recommends that BUMDes managers initially focus on capacity building through government training, followed by gradual business expansion and collaborative partnerships.

References :

- Dewi, A. S. K. (2014). Peranan badan usaha milik desa (BUMDes) sebagai upaya dalam meningkatkan pendapatan asli desa (PADes) serta menumbuhkan perekonomian desa. *Jurnal Riset Daerah (JRD)*, 5(1).
- Komala, T. S., & Munandar, A. (2025). Analisis SWOT untuk meningkatkan strategi usaha pada UMKM Sejiwa Ecoprint. *Rekayasa Industri dan Mesin (ReTiMs)*, 6(2), 76–85. DOI:10.32897/retims.2025.6.2.3813.
- [PKDSP] Pusat Kajian Dinamika Sistem Pembangunan. (2007). *Buku Panduan Pendirian dan Pengelolaan Badan Usaha Milik Desa (BUMDes)*. Malang: Fakultas Ekonomi Universitas Brawijaya.
- [PRI] Pemerintah Republik Indonesia. (2014). *Undang-Undang Nomor 6 Tahun 2014 tentang Desa*. Jakarta: Sekretariat Negara.
- Putri, M. E., Afriani, H., & Sulaksana, I. (2025). Analisis strategi pengembangan usaha kompos pada BUMDes Karya Bersama di Desa Delima Kecamatan Tebing Tinggi Kabupaten Tanjung Jabung Barat. *Jurnal Ilmiah Universitas Batanghari Jambi*, 25(3). doi:10.33087/jiubj.v25i3.6375.
- Silaban, F., & Muflikh, Y. N. (2025). *Strategi Pengembangan BUMDes Ngampel Berkarya Desa Ngampel Kabupaten Blora Jawa Tengah [Skripsi]*. Bogor: Institut Pertanian Bogor.
- Sugiyono. (2019). *Metode Penelitian Kuantitatif, Kualitatif dan R&D*. Bandung: Alfabeta.