
Employee Performance Evaluation of Village-Owned Enterprises (BUMDes) in Sukaraharja Village, Kadupandak District, Cianjur Regency

¹Andi Saputra, Samsul Ode

¹Universitas 17 Agustus 1945 Jakarta, Indonesia; andisaputra110199@gmail.com

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Abstract

This study aims to evaluate the performance of village-owned enterprises (BUMDes) employees in Sukaraharja Village, Kadupandak District, Cianjur Regency. BUMDes is an economic institution owned and managed by village communities to increase village potential and reduce poverty. However, there are still problems related to human resources (HR) in BUMDes management, such as the limited number of employees and the lack of focus on BUMDes by management. This study uses a qualitative approach to evaluate the performance of BUMDes employees in Sukaraharja Village. Data were obtained through direct observation and interviews with BUMDes employees and analysis of related documents. The qualitative approach was chosen because of the complexity of the research subject. The results showed that the performance of BUMDes employees in Sukaraharja Village affected the operational efficiency of BUMDes and their productivity. Skilled, trained and professional employees can optimize BUMDes business processes, produce more in less time, and provide good service to the community. However, researchers also found that there were employees who lacked the necessary professionalism and competence. In the context of improving the performance of BUMDes employees, factors such as education, work experience, compensation, work environment, leadership style, and motivation have a significant influence. Good education and work experience improve employee abilities and skills, while adequate compensation encourages better performance. A good work environment, appropriate leadership style, and high motivation also contribute to improving employee performance. Based on these findings, the researcher recommends the need for periodic evaluation of the performance of BUMDes employees. This evaluation can help identify employee strengths and weaknesses, as well as provide a basis for developing training programs and improving performance. In addition, it is also important to improve the facilities and infrastructure that support BUMDes operations and to optimize BUMDes product marketing efforts to the public

Keywords: *BUMDes, Employee Performance, Performance Evaluation, Human Resources, Sukaraharja Village, Cianjur Regency.*

Introduction

In the Preamble of the 1945 Constitution, one of the national goals of the Indonesian nation is to carry out development to improve people's welfare. In connection with Law no. 32 of 2004 concerning Regional Government relating to development, villages play an important role because most of Indonesia's population lives in rural areas. This of course will become a guideline for how the direction and goals of national development are targeted (Agunggunanto, Arianti, & Kushartono, 2016). The current development paradigm is usually top down, with strong government intervention, causing development programs to fail to achieve the expected results. Although various development initiatives have been undertaken, the differences between villages and cities are still very clear. Therefore, a paradigm shift from the ground up is needed, which allows the village to manage its own economy. The village knows its economic potential and will encourage people to be innovative and creative when managing their economic resources (Budiono, 2015).

With the issuance of Law no. 32 of 2004, there was a change that allowed village governments to manage the economy through village-level economic institutions, such as village-owned enterprises (BUMDes). BUMDes is an economic institution that is capitalized

and managed by the community and is intended to increase village potential and help reduce poverty and increase Regional Original Income (Ash-Shiddiqy & Ibrahim, 2022). BUMDesa that is managed properly and professionally can help the government manage village potential and create jobs and absorb labor. Law No. 6 of 2014 also emphasizes that villages have origin rights and traditional rights to regulate and manage the interests of local communities and play a role in realizing the ideals of independence based on the 1945 Constitution of the Republic of Indonesia. In this regard, it can be concluded that the establishment of BUMDes did not just stand without a strong foundation, but in fact the organization was formed because of the existence of a statutory basis that serves as a guide in carrying out each existing vision and mission.

As an organization, BUMDes requires experienced and professional Human Resources (HR). The aspect of human resources is very important to carry out the activities of the BUMDes organization. However, until now there are still problems related to human resources in BUMDes management, one of which is the limited human resources managing BUMDes, where administrators often have multiple positions and are more focused on their main job than managing BUMDes. In addition, human resource issues greatly affect the achievement of BUMDes goals, because BUMDes ideally require employees who are professional, proficient, and have broad insight.

Human resources (HR) are always involved actively and are important in every organizational activity, especially human resources function as planners, actors, and determinants of achieving organizational goals. In organizations, humans carry out various activities as actors or participants. Human behavior in organizations greatly influences organizational performance. BUMDes in this case can be done by increasing employee performance to achieve organizational goals.

Suhandi (2020) says that "labor is a very important resource in driving the growth and progress of a country's economy. However, from another point of view, the increase in workforce often becomes an economic problem that is difficult for the government to solve. Employee performance is a very important component for an organization or company. Performance is shown as achievements achieved by employees based on their role in the organization. One way to measure the effectiveness of an organization or the achievement of its goals is to measure the performance of its employees. To carry out this measurement, measurement standards are needed to apply standards which will later be used to find out whether the employee's performance is in accordance with the expected goals and to find out how far the performance differs, by comparing the actual work results with those expected.

Performance can be defined as actual work performance or results achieved by someone at work. Performance is the result of work done by someone based on job requirements. Job requirements have certain objectives that must be met in order to achieve them, which are known as job standards. The performance of BUMDes employees is very important to study because it can ensure the quality of BUMDes management, program implementation, and achievement of BUMDes goals for the welfare of village communities.

To improve employee performance, there are several factors that influence it. Referring to theory and empirical research, it can be said that many factors influence employee performance. This includes education, work experience, age, compensation (salary), place of work, leadership style, and motivation. Education talks about what people know, can, think, be, and what they do (Handoko, 2016). Education will determine the ability of employees to maximize their performance; more education will improve employee abilities, skills, and skills,

which in turn can lead to better employee performance. According to research conducted by (Hitalessy, Roni, & Iswandi, 2018) and (Mandang, 2017) education has a positive and significant impact on employee performance. An additional factor is work experience, which can show how well a person understands his job and masters the knowledge and skills needed to complete the task, which can be measured by the length of time he has worked (Handoko, 2016). Work experience affects employee performance, according to a study conducted by (Hitalessy, Roni, & Iswandi, 2018) Employee performance can be influenced by demographic characteristics as measured by age proxies. In general, the productive age group has a higher productivity level than the non-productive (or old) age group, which of course has weaker and more limited physical factors. Therefore, better performance can also be associated with the productive age group. Research (Aprilyanti, 2017) describes how age or age affects employee performance.

All employee income, both financial and non-financial, can be considered as compensation. It is given as a reward for their work and their contribution to the company. A good award should encourage good work, experience, loyalty, responsibility and productive behavior. The better the level of compensation given, it is directly proportional to the better employee performance. In this study, compensation will be measured by the quantity of salary received by BUMDes employees.

A good work environment is an important factor in determining employee performance. Providing employees with an ideal work environment where they can perform their tasks optimally, healthily, safely and comfortably affects how well they complete their tasks. Ultimately, this will result in increased employee performance. Improving employee performance in achieving organizational goals and objectives can also be encouraged through a leadership style that is in accordance with the state of the organization and the wishes of employees. Leaders have a unique way of influencing and directing their employees as they carry out their assigned tasks. In this case, it is hoped that they will be able to achieve the organization's mission together by implementing the work that has been determined.

To improve employee performance, you can also take advantage of motivation, which is important in the context of encouraging and motivating someone to do something with more enthusiasm and work more effectively. Performance and motivation are two things that are constructive and correlative, and employees who have high motivation at work can show high performance.

In this regard, the references to the report on doing business in Indonesia made by the World Bank and IFC (2012) in the journal (Suhandi, 2020) state that there are several main factors hindering employment in Indonesia, such as a shortage of educated workers, poor infrastructure, and a complex policy framework. This is also in line with research conducted by Purna et al in the journal (Suhandi, 2020) which concluded that low employment is caused by a lack of linkages and compatibility between the world of education and the business world, and there are still various other problems.

Sukaraharja village, Kadupandak sub-district, Cianjur district is one of the villages that has built BUMDes as an effort to create community empowerment. One of the BUMDes engaged in Sukaraharja village is in the cassava production sector which was formed in July 2021. Community participation in the control and development of BUMDes is expected to be able to foster community enthusiasm in implementing and developing BUMdes independently. The existence of the BUMDes empowerment program has brought positive changes to the Sukaraharja village community, including increasing and creating new job opportunities and

sources of income for the people in the village. This can increase the level of income and standard of living of the people, as well as reduce the level of unemployment and poverty in the area.

In this regard, of course, the continuity of BUMDes activities in Sukaraharja village is inseparable from the human resources that participate in it. The performance of BUMDes employees greatly influences the success and progress of BUMDes as a whole. Good employee performance can improve BUMDes operational efficiency. Skilled and trained employees can carry out their duties efficiently, manage resources well, and optimize business processes within BUMDes. This will help BUMDes achieve their goals in a more effective way. High employee performance also contributes to increasing BUMDes productivity. Employees who are dedicated, committed and have the necessary skills will be able to produce more in less time. They will be able to develop and implement new ideas, manage projects well, and contribute to BUMDes business growth. Good employee performance will have a positive impact on the services provided by BUMDes to the community. Professional, friendly and responsive employees will provide better service to customers and the village community in general. This will strengthen the relationship between BUMDes and the community, and help BUMDes maintain and increase their market share.

In the process of self-observation, the author saw that in the BUMDes of Sukaraharja village, especially in the cassava production section, there were employees who did not have the required professionalism and competence. In addition, the existing facilities and infrastructure are not functioning properly, and the employee is still lacking in work time discipline and is not used to marketing products to the point that the residents of Sukaraharja Village are dominant who still do not know the products of BUMDes.

Based on the description above, it is clear that evaluating employee performance at BUMDes in Sukaraharja village is an important and strategic matter. It is hoped that by carrying out this evaluation, the BUMDes performance process in Sukaraharja village will be more efficient.

Method

Qualitative research methods are used to assess the performance of BUMDes employees in Sukaraharja Village. According to (Creswell, 1998) a qualitative approach is used because the subject under study is very complex. In addition, the researcher aims to gain a better understanding of the situation and to learn more about the students' creative tendencies, which would not be known using a quantitative research approach. then (Creswell, Qualitative, Quantitative, and Mixed Design Design Research, 2010) states that qualitative research produces findings that cannot be achieved or obtained through quantification techniques such as statistics. Furthermore, (Bogdan & S, 1992) states that qualitative research is a research method that produces descriptive data about the behavior and speech of the people being observed.

This qualitative research uses a type of grounded theory research that emphasizes evaluating the performance of BUMDes employees. The choice of this method is based on the researcher's desire to carry out a more in-depth analysis of employee performance. In the end, new theories can be created based on existing theories. This theory will provide a clear picture of performance evaluation. Grounded research differs from other types of qualitative research, such as phenomenology, ethnography, case studies, and narratives. In qualitative research,

grounded theory gives up theory and goes straight into the field to collect data; in qualitative research, they seek to find theories based on empirical theory rather than deductively building theories.

Result and Discussion

The Results of an Assessment of the Clarity of BUMDes Employee Performance

Focus on the performance of BUMDes employees, which is used to evaluate the contribution and performance of employees in the company. The following evaluations can be implemented in periodic or annual forms, this evaluation involves superiors and colleagues to assess performance. The results can be used to make decisions about performance improvements.

From the observations made by the researchers, it was shown that BUMDes employees in Cianjur Regency already understood that after receiving assistance and guidance from the Wiradesa program, they could perform well.

In addition, based on the findings from a structured interview conducted with the Director of BUMDes of Cianjur Regency on... found that it is important for all employees of the organization to clearly understand and master their responsibilities. This is intended so that employees can work optimally and effectively. In addition, the representative stated that in their organization, BUMdes employees are given tasks according to their respective abilities. Most of the informants in BUMDes in Cianjur Regency stated that they understood their respective duties and responsibilities, according to their observations and descriptions of their answers.

The Results of an Assessment of the Relevance of Performance to BUMDes Development

To determine whether employee performance is in line with BUMDes goals and vision, evaluation of performance relevance involves assessing the duties, responsibilities and work results of employees to ensure that employee performance is in line with BUMDes mission and vision. The results of the evaluation can also be used to determine whether the duties and responsibilities of employees should be changed to make them more relevant to BUMDes.

The results showed that the performance of BUMDes employees was in accordance with BUMDes Vision, Mission and Objectives where in the interview, the Director of BUMDes stated that BUMDes employee performance was in line with BUMDes vision, mission and goals. The director said that one of the objectives of establishing BUMDes is to improve BUMDes' ability to provide better service to the community and achieve the desired development goals. The director also mentioned that BUMDes employees who work to take over part of the BUMDes program themselves have worked with the aim of serving the community.

Based on this explanation, the relevance of performance with the establishment of BUMDes has a relevant relationship with the establishment of BUMDes in Cianjur Regency.

The Results of an Assessment of the Consistency of the Availability of Human Resources with Performance

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This activity is used to evaluate the availability and ability of employees to the duties and responsibilities given. The assessment covers the skills, education, experience and expertise of the staff to ensure that they have the necessary skills to properly carry out these duties and responsibilities. Evaluation scores can also be used to determine if training is needed to improve performance.

From the results of research as well as interviews conducted by researchers with BUMDes leaders and several local BUMDes employees, it was revealed that BUMDes leaders and supervisors hope that BUMDes employees have the appropriate abilities and qualifications to carry out their duties and responsibilities effectively. In this context, BUMDes employees are actively working and handling their responsibilities in the designated areas.

The results of observations and interviews show that the availability of manpower in the BUMDes of Cianjur Regency is in line with the expected capabilities.

Research Results on Obstacles Obstacle the Implementation of the BUMDes Program

Evaluation of obstacles that hinder the implementation of the BUMDes program involves assessing the processes, systems and resources used to run the program to determine the factors that hinder program implementation and find solutions to overcome obstacles. Evaluation results can also be used to determine solutions to overcome obstacles and ensure that the BUMDes program.

From the results of research as well as interviews conducted by researchers with the BUMDes director and several local employees, it was revealed that BUMDes face various challenges which include aspects of capital and work environment. In addition, the high increase in oil prices is also a factor affecting the instability of cassava production. The lack of production facilities is also one of the obstacles in running the BUMDes program in the region. In addition, observations and interviews show that many employees choose to resign because the salary provided does not reach the Regional Minimum Wage (UMR).

Thus, there are various obstacles that hinder the implementation of the BUMDes program in Cianjur Regency, such as capital constraints, work environment, and salary receipts that do not reach the UMR.

From the results of research conducted by the author regarding the performance of Village-Owned Enterprise (Bumdes) employees in Sukaraharja Village, Kadupandak District, Cianjur Regency, it was noted that the BUMDes program had been running well in accordance with the vision, mission and goals that had been set previously. However, there are several employees who are still negligent and do not act professionally in following up on the responsibilities that have been given because there are several obstacles encountered while carrying out these responsibilities. As for some of the indicators that make employees constrained in doing their part in BUMDes Cianjur Regency can be described as follows. However, in addition to that, the researcher also includes several indicators that make capital for employees to work actively in BUMDes activities.

a) Impact of Education on employee performance

From the results of data collection through observation and also interviews that have been conducted by researchers indicate that the education variable has a positive and significant effect on employee performance. In other words, the higher the level of education an employee has, the better their performance. Education is an effort to increase one's general knowledge, which includes mastery of theory to solve problems in an effort to achieve

goals.

The level of education has a major influence on the design of a person's work character and way of thinking. Therefore, the level of education has a major influence on the implementation of employee performance; suitability of majors only has an impact on the implementation of performance in certain units (Flippo, 2013). Education, training and job training will improve employee performance. Education will increase the ability of employees to complete their tasks, and employee performance will be optimal.

b) Impact of Work Experience on Employee Performance

In this section, it shows that the work experience variable has a positive impact on employee performance; in other words, the more work experience employees have, the better their performance. To pursue a career and develop their potential, a person must have formal education. They must also have knowledge of work processes and be able to adapt to their working environment in the workplace. Because each member of the organization has a different background and field of work, each member has a different work experience.

Siagian (2016) said that work experience includes the period of work, type of work or position, and number of hours worked. The work experience of employees in carrying out the responsibilities given by an organization is very important. Employees with more experience will definitely be faster and know what to do when they encounter problems. The amount of time spent by an employee to contribute his workforce to an organization or organizations is known as work experience (Nitisemito, 2015) Work experience or long working years shows how well an employee can complete tasks that depend on their abilities, skills and skills.

c) Impact of Age on Employee Performance

The results of the study also show that age has a positive but not significant impact on employee performance; thus, the age factor is not a factor that determines employee performance. The finding that the age factor does not affect employee performance can be explained by the fact that BUMDes employees are in the productive age group based on descriptive data. Therefore, the age factor does not have a significant effect on employee performance.

According to (Aprilyanti, 2017) young people who are still productive usually have an extra level of productivity compared to older workers. As a result, their physical abilities diminish and diminish. Labor is defined as people who are at least 10 years old, without a maximum age. Thus, the workforce referred to in Indonesia is people aged 10 years or more, with a minimum limit of 10 years. This is because many young people are already working and looking for work at that age.

d) Impact of Compensation on Employee Performance

This section also shows that compensation is not good for employee performance. The insignificant results of compensation on employee performance can be explained by the fact that BUMDes employees receive compensation that is nominally below the minimum wage. Therefore, compensation is not able to improve employee performance.

According to (Hasibuan, 2016) compensation is all income received by workers in the form of money, goods, directly or indirectly as a reward for the services they provide to the company. Good rewards should encourage good work, experience, loyalty,

responsibility and productive behavior.

In addition, compensation can be defined as all income received by employees, both financial and non-financial, either directly or indirectly, as compensation for their work and their contribution to the company. Salary is a form of financial compensation given to employees.

e) Impact of the Work Environment on Employee Performance

The results show that work environment factors, as measured by the relationship between employees and their leaders, relationships among employees, and environmental conditions such as temperature, lighting, coloring, etc., as well as office facilities such as work tools and equipment, influence employee performance. Every worker wants to work in a pleasant workplace. (Nitisemito, 2015) states that the work environment can affect the work performed by employees. Therefore, every company or organization must strive to ensure a work environment where employees are always in good condition. If the company can create a comfortable work environment for its employees, they will feel comfortable working without pressure and distractions, so they can improve performance and achieve company goals.

f) Impact of Leadership Style on Employee Performance

The results of the study show that leadership style has a positive and significant impact on employee performance. This is due to the fact that the leadership style factor measured by the leader in the process of mobilizing subordinates is always based on the belief that humans are the most noble creatures in the world; leaders always try to synchronize the interests and goals of the organization with the personal interests and goals of their subordinates; Leaders are happy to accept suggestions.

This leadership style is initially focused on recognizing one's goals so that they ultimately believe that actual performance will exceed expectations. Because the success of an organization in achieving its goals is strongly influenced by the leadership style of a leader when managing his subordinates. There is a belief that the success of an organization in carrying out its various tasks is largely influenced by leadership, as seen in employee performance.

g) Impact of Motivation on Employee Performance

The effect of motivation on employee performance is positive, but not significant. Motivational factors can be measured as follows: employees feel that their organization provides basic needs such as food and shelter; that their organization provides safety guarantees and health care for employees; and that their company provides fun and meaningful rewards to employees who excel.

With the results showing that motivation has no impact on the performance of BUMDes employees in Cianjur Regency, further policies and actions are needed to increase employee motivation.

Conclusion

The following are the conclusions of this research. First, the level of education affects the performance of BUMDes employees in Cianjur Regency; the higher the level of education, the better the performance. Second, work experience affects the performance of BUMDes

employees in Cianjur Regency; and finally, age has no effect on the performance of BUMDes employees in Cianjur Regency. Fourth, the performance of BUMDes employees in Cianjur Regency is not affected by compensation, because a better work environment increases performance. Fifth, leadership style influences the performance of BUMDes employees in Cianjur Regency.

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