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The Influence of Village-Owned Enterprise (BUMDes) Performance on Income in North Botteng Village, Mamuju Regency

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A R T I C L E I N F O

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A B S T R A C T

This study aims to determine and analyze the effect of Village-Owned Enterprise (BUMDes) Performance on Income in Botteng Utara Village, Mamuju Regency. The study employed a quantitative descriptive approach using primary and secondary data obtained through questionnaires and a literature review. The research sample consisted of 30 respondents selected using a saturated sampling technique (total sampling). Data analysis was conducted using validity and reliability tests, simple linear regression analysis, t-test, and the coefficient of determination (R^2). BUMDes Performance was measured based on productivity, service quality, responsiveness, responsibility, and accountability, while Income was measured based on village business outcomes, utilization of village assets, BUMDes contribution to Village Original Revenue (PADes), PADes growth, and the sustainability of village revenue sources. The results showed that BUMDes Performance had a positive and significant effect on Income. This is indicated by a calculated t-value of 7.789 > t-table value of 2.048, with a significance level of 0.000 < 0.05. The R^2 value of 0.684 indicates that BUMDes Performance explains 68.4% of the variation in Income, while the remaining 31.6% is influenced by other factors outside the scope of this study. Thus, the more optimally BUMDes performs in managing businesses, providing services, responding to community needs, and implementing transparent and accountable management, the greater its contribution to increasing Income in Botteng Utara Village, Mamuju Regency.

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INTRODUCTION

According to Alkadafi et al. (2021:2), the institutional framework for Village-Owned Enterprises (BUMDes) in Indonesia was introduced by the government a long time ago as an effort to establish a new approach to strengthening the village's socioeconomic institutions. Law Number 32 of 2004 concerning Regional Government mandated villages throughout Indonesia to establish Village-Owned Enterprises. This was subsequently reinforced by Government Regulation Number 72 of 2005 concerning Villages and Minister of Home Affairs Regulation Number 39 of 2010 concerning Village-Owned Enterprises.

According to the Mamuju Regency Community and Regional Empowerment Office, Mamuju Regency consists of 11 districts, 14 urban villages, and a total of 88 villages, all of which have established their respective BUMDes with various types of business units. One of the districts in Mamuju Regency is Simboro District. Simboro District has six villages, all of which have established Village-Owned Enterprises. The following is the BUMDes data for Simboro District.

BUMDes in North Botteng Village is a business entity established by the village government to improve the community's economy through the management of productive village enterprises. In 2025–2026, BUMDes in North Botteng Village invested IDR 188,000,000 in business units such as trading, the provision of agricultural facilities, agricultural equipment rental services, and other economic activities. Its turnover to date has reached IDR 240,000,000. The development of BUMDes aims to increase Village Original Revenue (PADes), create employment opportunities, and improve community welfare.

One effort that can be undertaken is to encourage village economic activity through village entrepreneurship, which serves as a strategy for development and the growth of welfare (Ansari, 2016:3). This village entrepreneurship can be accommodated through Village-Owned Enterprises (BUMDes), which are developed by the village government and the village community.

BUMDes is a government project, like other projects introduced into villages; consequently, its legitimacy and social acceptance among the community are very weak. However, not all BUMDes fail. Some have performed successfully and have had a tangible impact on improving the village economy. The success of these BUMDes is attributable to the speed with which they transformed from entities perceived as government projects into enterprises owned by the community. In many places, this rapid transformation has been supported by village heads who are responsive and progressive and who encourage community initiatives.

A study by Alkadafi et al. (2021) found that Bangun Jaya Village in Tambusai Utara District, Rokan Hulu Regency, had once become the best BUMDes model in Indonesia. Established in 2008, the BUMDes had assets amounting to IDR 3.7 billion at the time and was named the best BUMDes in Indonesia in February 2010.

Another study by Alkadafi et al. (2021) discussed the success of Lancang Kuning BUMDes in Rumbai Jaya Village, Indragiri Hilir Regency; Amanah

Sejahtera BUMDes in Sungai Bulu Village, Kuantan Singingi Regency; and Paris Mandiri BUMDes in Parit 1 Api-Api Village, Bengkalis Regency. These enterprises had entered the independent category and had strong potential to become independent BUMDes at the provincial and national levels in the following years. An independent BUMDes is one that is able to generate profits and consistently increase its assets, expand its networks, achieve very high levels of satisfaction among managers and the community, and carry out village development to improve quality of life and maximize community welfare by utilizing local potential (social, economic, and environmental) to the fullest and sustainably, while also being able to alleviate poverty. The success of these BUMDes can be attributed to several factors, including government intervention through Village Empowerment Program (PPD) policies; policy protection in political and legal aspects; qualified human resources; substantial capital provided by the central and provincial governments; the ability to establish networks with other economic actors; and innovation and creativity in developing business units that align with village potential, among other factors.

When community needs are adequately met and North Botteng BUMDes is responsive in identifying those needs, this reflects collaboration among state components that creates harmony between the local government and the community. As a result, PADes revenue generated by BUMDes reaches approximately IDR 20,000,000 per month. BUMDes in North Botteng Village, Mamuju Regency, is therefore interesting to examine. Based on the phenomena described above, the researchers formulated the research questions.

Does the performance of the Village-Owned Enterprise (BUMDes) affect income in North Botteng Village, Mamuju Regency?

Is there a correlation between the performance of the Village-Owned Enterprise (BUMDes) and income in North Botteng Village, Mamuju Regency?

LITERATURE REVIEW

Village-Owned Enterprise (BUMDes) Performance

Maulana, Said, and Hayat (2021) showed that BUMDes organizational performance has a positive effect on community welfare. The better the organizational management and community empowerment carried out by BUMDes, the greater its contribution to improving the welfare of village communities.

Aprillia, Cahyono, and Nastiti (2021) explained that successful BUMDes performance is influenced by various factors, such as the quality of human resources, organizational governance, managers' experience, motivation, and support from the village government. Conversely, poor management and low human resource capacity are the main causes of BUMDes performance failure.

Income

According to Rotinsulu and Rorong (2022), village income can be understood as all revenue received by the village government from various legitimate sources during one fiscal year and belonging to the village to be managed for financing government administration and development

implementation. Such income functions not only as a source of operational funding for the village government but also as a means of improving the quality of public services, accelerating development, and promoting community empowerment. Thus, the greater the income available to a village, the greater its capacity to carry out development and improve community welfare.

METHOD

Types and Sources of Data

Based on their characteristics, data are categorized into two types: qualitative data and quantitative data.

(1) According to Sugiyono (2022:86), quantitative research aims to achieve a high level of objectivity by minimizing potential bias in the research process. This approach emphasizes neutrality and objectivity through the use of standardized procedures, enables research replication, and measures data in numerical form, which are then analyzed using statistical techniques.

Based on their sources, data can be classified into two categories: primary and secondary data.

(1) According to Sugiyono (2022), primary data are data obtained directly by the collector (researcher) from the research object. Primary data are data collected and processed independently by the organization that publishes or uses them.

(2) According to Sugiyono (2022), secondary data are data obtained indirectly from the research object. Thus, secondary data are data collected or used by an organization other than the organization managing them.

Population and Sample

According to Sugiyono (2022), a population can be defined as the entire set of objects or subjects targeted by a study that possess specific characteristics in accordance with the research objectives. All members of the population have the opportunity to serve as data sources, allowing the research findings to be used as a basis for drawing conclusions within the scope of the study.

According to Martono (2022), a sample can be defined as a number of members selected from a population to serve as data sources in a study. The sample is selected using a particular technique so that it can represent the characteristics of the population as a whole. Sampling aims to facilitate the research process, particularly when the population is sufficiently large that examining all its members is not feasible. Therefore, sample selection must be carried out appropriately so that the data obtained represent the population's conditions and produce accurate conclusions.

The sample in this study consisted of 30 members of the Village-Owned Enterprise (BUMDes) in North Botteng Village, Mamuju Regency, who met the criteria for research respondents. Given that the population was relatively small, this study employed a saturated sampling technique (total sampling), in which all members of the population were included as the research sample.

Data Collection Methods

(1) A questionnaire, according to Sugiyono (2022:199), is "a data collection technique carried out by providing respondents with a set of written questions or statements to answer."

(2) According to Sugiyono (2022:200), library research is a data collection method conducted by examining and reviewing various literature sources related to the research topic. These sources include books, journals, scientific articles, documents, and other records relevant to the research problem.

Data Processing and Analysis Techniques

(1) Instrument Validity Testing

According to Sugiyono (2022:331), "validity testing is a process used to assess the extent to which an instrument accurately measures what it is intended to measure. In other words, validity indicates the degree of correspondence between a measuring instrument and the object or variable being studied. Validity testing is an important step in quantitative research aimed at determining the extent to which a research instrument can measure the variables under study precisely and accurately."

(2) Reliability Testing

According to Sugiyono (2022:336), "reliability testing is a test used to determine the extent to which a measuring instrument can provide consistent results when repeatedly used on the same object. In other words, reliability indicates the stability and consistency of an instrument in producing data. Reliability testing is a way to assess whether the questionnaire used can produce consistent data, where the questionnaire consists of indicators representing particular variables or constructs."

(3) Simple Linear Regression

According to Ghozali (2018:46), "a simple linear regression model is used to test the effect of an independent variable on a dependent variable."

Simple linear regression equation: $Y = \alpha + bX + e$

Description: Y = Income

α= Constant (the condition when it has not yet been influenced by other variables)

b= Regression coefficient (direction of influence)

X = Village-Owned Enterprise (BUMDes) Performance

e = Error (variables not included in the model)

Research Hypothesis Testing

(1) Partial Test (t-statistic Test)

According to Ghozali (2018:98), the t-statistic test is a testing method used to determine the extent to which each independent variable partially affects the dependent variable. This test is conducted by comparing the calculated t-value with the t-table value. The calculated t-value is obtained from the regression analysis results in the coefficients section, while the t-table value is determined based on the degrees of freedom at a significance level of 5% or 0.05. The t-table

value is then obtained from the t-distribution table according to the specified degrees of freedom.

(2) Simultaneous Test (F-statistic Test)

According to Sugiyono (2019:328), the F-statistic test is intended to determine whether all independent variables in a regression model simultaneously affect the dependent variable. This test is conducted by comparing the calculated F-value with the F-table value. The calculated F-value is obtained from the Analysis of Variance (ANOVA) test results in the SPSS output. Meanwhile, the F-table value is determined based on the degrees of freedom, which include DF1 (numerator) and DF2 (denominator), as well as the specified significance level. The F-table value can then be identified by referring to the F-distribution table.

RESULTS AND DISCUSSION

Data Quality Test Results

(1) Validity Test Results

Ghozali (2018:51) stated that "validity testing is used to measure whether each statement item in a questionnaire is valid or invalid." This test is conducted by comparing the calculated r-value with the r-table value.

$$df=N-2=30-2=28$$

The Product Moment value (r-table) at a significance level of 0.05 = 0.361.

Table 1. *Validity Test Results*

No.	Item	Calculated r-value	r-table value	Result
1	X1	0,643	0,361	Valid
2	X2	0,544	0,361	Valid
3	X3	0,453	0,361	Valid
4	X4	0,582	0,361	Valid
5	X5	0,619	0,361	Valid
6	X6	0,615	0,361	Valid
7	X7	0,645	0,361	Valid
8	X8	0,577	0,361	Valid
9	X9	0,721	0,361	Valid
10	X10	0,434	0,361	Valid
11	Y1	0,746	0,361	Valid
12	Y2	0,882	0,361	Valid
13	Y3	0,863	0,361	Valid
14	Y4	0,761	0,361	Valid
15	Y5	0,790	0,361	Valid
16	Y6	0,775	0,361	Valid
17	Y7	0,836	0,361	Valid

No.	Item	Calculated r-value	r-table value	Result
18	Y8	0,760	0,361	Valid
19	Y9	0,792	0,361	Valid
20	Y10	0,834	0,361	Valid

Source: Primary data, processed, 2026.

Based on the validity test results presented in Table 1, all statement items in the research instrument obtained calculated r-values higher than the r-table value of 0.361. Therefore, all statement items for each research variable are declared valid and have met the criteria for proceeding to the instrument reliability testing stage.

(2) Reliability Test Results

According to Ghozali (2018:45), reliability testing is a method used to determine the consistency level of a research instrument, particularly a questionnaire developed based on the indicators of each variable. A questionnaire is considered reliable when respondents' answers to each statement demonstrate consistency and stability over time.

Table 2. *Reliability Test Results*

Variable	Cronbach's Alpha	Threshold	Description
Village-Owned Enterprise (BUMDes) Performance	0,782	0,70	Reliable
Income	0,938	0,70	Reliable

Source: Primary data, processed, 2026.

Based on the reliability test results presented in Table 2, it can be concluded that all variable statements in this study have Cronbach's alpha values greater than the standard Cronbach's alpha value (0.70). Therefore, all statements for the proposed variables are considered reliable, dependable, and consistent, meaning that they meet the requirements for data analysis.

Simple Linear Regression Analysis Results

Ghozali (2018:46) stated that a simple linear regression model is used "to test the effect of an independent variable on a dependent variable; in multiple regression, the independent variables whose effects on the dependent variable are considered are included in the model."

Simple Linear Regression Formula: $Y = a + bX + e$

Table 3. *Simple Linear Regression Analysis Results*

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	Constant	-3,752	5,708	–	-0,657	0,516
	Performance of Village-Owned Enterprises (BUMDES)	1,114	0,143	0,827	7,789	0,000
a. Dependent Variable: Pendapatan						

Source: Primary data, processed, 2026.

(1) *The constant value (a) of -3.752 indicates that when the Village-Owned Enterprise (BUMDes) Performance variable does not change or is at zero, Village Income has a value of -3.752. This constant represents the baseline value of Village Income before it is affected by BUMDes Performance.*

(2) The regression coefficient for Village-Owned Enterprise (BUMDes) Performance is 1.114 and has a positive direction. This means that if BUMDes Performance increases by one unit, Village Income is expected to increase by 1.114 units, assuming that other factors remain constant. Thus, an improvement in BUMDes performance is accompanied by an increase in income in North Botteng Village, Mamuju Regency.

(3) The test results show a calculated t-value of 7.789 with a significance level of 0.000, which is lower than 0.05. Thus, Village-Owned Enterprise (BUMDes) Performance has a positive and significant effect on Village Income in North Botteng Village, Mamuju Regency.

RESEARCH HYPOTHESIS TESTING

(1) Partial Hypothesis Testing Results (t-Statistic Test)

According to Ghozali (2018:98), the partial test (t-test) is a testing method intended to determine the extent to which each independent variable individually explains or affects the dependent variable. This test is conducted by comparing the calculated t-value with the t-table value to determine the significance of the effect of the independent variable on the dependent variable.

Table 4. *Results of the First Research Hypothesis Test*

Coefficients[a]				
Model	Calculated t-value	t-table value	b1X1	Sig.
Village-Owned Enterprise (BUMDes) Performance	7,789	2,048	1,114	0,000
a. Dependent Variable: Income (Y)				

Source: Primary data processed by the researcher, 2026.

The results of the first hypothesis test, as presented in Table 4, show that the Village-Owned Enterprise (BUMDes) Performance variable (X) obtained a calculated t-value of 7.789, which is higher than the t-table value of 2.048 at 28 degrees of freedom (df) and a 5% significance level. These results indicate that BUMDes performance has a positive effect on Village Income. This is supported

by a significance value of 0.000, which is lower than 0.05, demonstrating that the resulting effect is statistically significant. Based on these results, it can be concluded that BUMDes performance has a positive and significant effect on Village Income in North Botteng Village, Mamuju Regency. Therefore, the first hypothesis (H_1) is accepted.

(2) Correlation Coefficient Analysis Results (R^2)

The coefficient of determination (R^2) is used to measure the extent to which the independent variable can explain changes or variation in the dependent variable. The R^2 value is obtained by squaring the correlation coefficient. A higher R^2 value indicates a stronger ability of the independent variable to explain the dependent variable. Conversely, a low R^2 value indicates that the independent variable's ability to explain changes in the dependent variable remains relatively limited.

Table 5. *Results of the Second Research Hypothesis Test*

Model Summary				
Model	R	R Square (R^2)	Adjusted R Square	Std. Error of the Estimate
1	0,827	0,684	0,673	4,559
a. Predictors: (Constant), Village-Owned Enterprise (BUMDes) Performance				

Source: Primary data processed by the researcher, 2026.

Based on the analysis in the Model Summary table, the R value of 0.827 indicates a strong relationship between Village-Owned Enterprise (BUMDes) Performance (X) and Village Income (Y). The R Square (R^2) value of 0.684 indicates that 68.4% of the variation in Village Income can be explained by BUMDes Performance. The remaining 31.6% represents variation attributable to other factors outside the variables used in this research model.

DISCUSSION

The Effect of Village-Owned Enterprise (BUMDes) Performance on Income in North Botteng Village, Mamuju Regency

Based on the research results, Village-Owned Enterprise (BUMDes) Performance has a positive and significant effect on income in North Botteng Village, Mamuju Regency. This is demonstrated by the t-test results, with a calculated t-value of 7.789, which is higher than the t-table value of 2.048, and a significance value of 0.000 < 0.05. Thus, the first hypothesis (H_1), which states that BUMDes performance has a positive and significant effect on Village Income, is accepted.

These findings indicate that the more optimally BUMDes performs, the greater its contribution to increasing Village Income. BUMDes performance can be assessed through several aspects, namely productivity, service quality, responsiveness, responsibility, and accountability. The proper and consistent implementation of these aspects can support more effective management of village enterprises, thereby enabling them to make a greater contribution to village income. Therefore, improving BUMDes performance is an important factor in supporting the growth and increase of income in North Botteng Village, Mamuju Regency.

Furthermore, based on the coefficient of determination (R^2) of 0.684, BUMDes Performance can be seen to explain 68.4% of the changes in Village Income. The remaining 31.6% is explained by various other factors outside the variables analyzed in this study.

These findings indicate that the better the implementation and management of BUMDes, the greater its ability to contribute to increasing Village Income. Performance reflected in productivity, service quality, responsiveness, responsibility, and accountability can support BUMDes in carrying out its business activities more optimally.

Overall, it can therefore be concluded that optimizing BUMDes Performance plays an important role in increasing Village Income in North Botteng Village, Mamuju Regency. Effective and responsible BUMDes management is expected to strengthen the contribution of village enterprises and support the sustainable improvement of village revenue sources.

CONCLUSION

Based on the discussion presented above, the conclusions of this study are formulated with reference to the data analysis results and their relevance to the research questions that have been established. Accordingly, the researchers draw the following conclusions:

(1) Village-Owned Enterprise (BUMDes) Performance has a partially significant effect on income in North Botteng Village, Mamuju Regency.
(2) Village-Owned Enterprise (BUMDes) Performance has a strong correlation with income in North Botteng Village, Mamuju Regency.

RECOMMENDATIONS

(1) BUMDes managers are expected to improve their performance in managing village business units through more effective, transparent, and responsible management. In addition, service quality needs to be improved, village economic potential should be utilized, and businesses should be developed in accordance with community needs. With better management, BUMDes is expected to make a greater contribution to increasing Village Income in North Botteng Village.
(2) The North Botteng Village Government is expected to continue supporting the sustainability and development of BUMDes through guidance, supervision, and the provision of necessary support for business activities. The village government must also ensure that BUMDes is managed accountably and in accordance with applicable regulations so that it can benefit the village and its community.
(3) Future researchers are advised to develop this research by including other variables that may affect Village Income, such as village asset management, community participation, village financial management, and other economic factors. Further studies may also use a larger number of respondents and different research locations so that the findings provide a broader picture.
(4) Universities are expected to continue supporting students in conducting research by providing reference materials, research facilities, and adequate

academic guidance. Such support is expected to help students improve the quality of their research and develop their ability to conduct scientific research.

(5) This study has provided the author with direct experience in understanding the research process, from identifying problems and collecting data to conducting analysis and compiling research findings. This experience is expected to serve as a learning resource for the author to broaden their knowledge, analytical abilities, and research skills, which can be applied in academic activities and the workplace in the future.

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