

IMPROVING INSTITUTIONAL MANAGEMENT OF VILLAGE FUNDS IN ENCOURAGING THE INCREASE IN GOAT FARMERS' PRODUCTIVITY IN SUMBERSAWIT VILLAGE, SIDOREJO, MAGETAN, EAST JAVA

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Abstrak

Program pengabdian masyarakat di Desa Sumbersawit, Kecamatan Sidorejo, Kabupaten Magetan, yang diselenggarakan oleh Departemen Ilmu Ekonomi UNAIR ini bertujuan untuk meningkatkan kelembagaan pengelolaan Dana Desa untuk mendukung produktivitas peternak kambing. Program ini membahas berbagai masalah kritis yang dihadapi oleh para peternak kambing lokal, seperti pembibitan dan perawatan ternak, sekaligus menggali potensi ekonomi desa melalui pembentukan divisi peternakan dalam Badan Usaha Milik Desa (BUMDes). Kegiatan tersebut meliputi penyuluhan oleh para ahli, diskusi langsung, dan survei yang dilakukan bersama pemerintah daerah dan peternak. Hasil dari kegiatan ini menunjukkan peningkatan yang signifikan dalam pengetahuan peternak mengenai pemilihan ternak unggul dan perawatan kambing yang tepat. Selain itu, pemerintah desa juga mendapatkan pemahaman yang lebih baik tentang bagaimana Dana Desa dapat digunakan secara efektif untuk meningkatkan kegiatan ekonomi lokal, khususnya melalui BUMDes. Survei yang dilakukan oleh tim UNAIR mengidentifikasi potensi ekonomi desa yang dapat dikembangkan lebih lanjut untuk pertumbuhan yang berkelanjutan. Rencana untuk tahap selanjutnya termasuk memberikan bantuan teknis kepada petani, mendirikan BUMDes, dan pemantauan dan evaluasi dampak ekonomi yang berkelanjutan. Program ini menunjukkan pendekatan kolaboratif antara institusi akademik dan masyarakat setempat, yang memberikan solusi praktis untuk tantangan ekonomi lokal dan wacana akademik yang lebih luas tentang pembangunan pedesaan.

Kata Kunci: Pemberdayaan Masyarakat, Dana Desa, Kelembagaan, BUMDesa

Abstract

The community service program in Sumbersawit Village, Sidorejo District, Magetan Regency, organized by the Department of Economics at UNAIR, aims to improve the institutional management of Village Funds to support the productivity of goat farmers. This program addresses various critical issues faced by local goat farmers, such as livestock breeding and care, while exploring the village's economic potential through the establishment of a livestock division within the Village-Owned Enterprise (BUMDes). The activities include counseling by experts, direct discussions, and surveys conducted with the local government and farmers. The results of these activities show a significant increase in farmers' knowledge regarding selecting superior livestock and proper goat care. Additionally, the village government has gained a better understanding of how Village Funds can be used effectively to improve local economic

activities, particularly through BUMDes. The survey conducted by the UNAIR team identified the village's economic potential, which can be further developed for sustainable growth. Plans for the next phase include providing technical assistance to farmers, establishing BUMDes, and ongoing monitoring and evaluation of economic impacts. This program demonstrates a collaborative approach between academic institutions and the local community, contributing both practical solutions to local economic challenges and broader academic discourse on rural development.

Keywords: Community Empowerment, Village Fund, Institutionalization, BUMDesa

INTRODUCTION

Community empowerment is one of the non-formal education programs that enhances the ability of the community to develop further by increasing the skills they already possess (Sucipto & Sutarto, 2015). To achieve this goal, an empowerment program in rural areas needs to be implemented to improve the welfare of families and communities. In this context, guidance from government institutions and related agencies is necessary to improve the community's welfare and quality of life (Zikargae, Woldearegay, and Skjerdal, 2022).

One community empowerment development the government carried out to reduce poverty is through Micro, Small, and Medium Enterprises (MSMEs). MSMEs are important drivers of employment and economic growth in rural areas (Freshwater et al., 2019). Empowering MSMEs in rural areas can help reduce poverty by increasing employment opportunities. The increase in employment in rural MSMEs is even more significant than in urban MSMEs. However, this empowerment faces several challenges, such as inadequate infrastructure, lack of government support, low productivity, and limited skill levels (Kurniawan and Fauziah, 2014; North and Smallbone, 1996). These businesses play a very strategic role in national economic development. Therefore, in addition to contributing to economic growth and job creation, they also help in the equitable distribution of development outcomes (Yusandy and Hilman, 2022). In general, a business can be considered to be developing well if the business development process runs smoothly, maximizing the resources available.

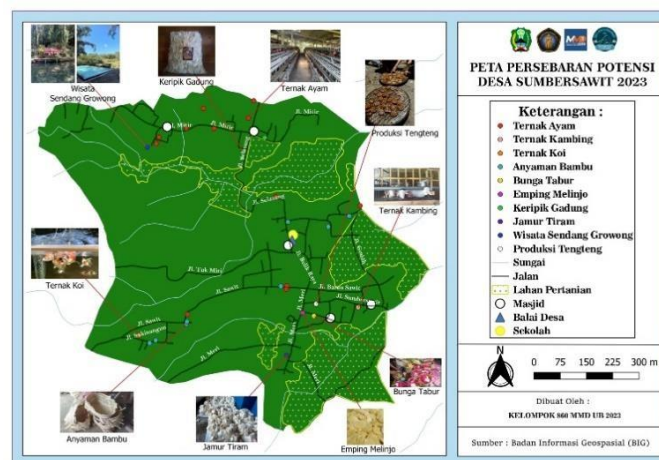


Figure 1. Distribution Map Potential of Summersawit Village

Sumbersawit Village, located in Sidorejo District, Magetan Regency, East Java Province, is one of the villages with significant natural wealth potential. The potential of Summersawit Village is highly promising for further development. One of its key potentials is the opportunity to develop goat farming, supported by the favorable natural conditions in the area. The abundant grass that grows in Summersawit Village can be utilized as feed for the goats. Over the past three years, a community empowerment program for goat farming has been implemented in Summersawit Village in collaboration with Laznas Yatim Mandiri. Goat farming was chosen because it is considered a business with promising prospects and is easy to implement in rural areas. In addition, goat farming offers opportunities for diversification and alternative income sources. Benefits include production for the meat market, as well as goat milk, which is a nutritious and easily digestible health drink with more benefits than cow's milk. Goat farming also helps maintain food and economic security, particularly for small farmers and farm laborers in developing areas (Lad, Aparnathi, Mehta, and Velpula, 2017; Singh, Kasrija, and Singh, 2020) The development of goat farming businesses has not been optimal because the majority of goat farmers in Summersawit Village live in poverty, which results in limited capital. This lack of capital impacts the care and maintenance of the livestock, leading to issues such as insufficient nutritional and vitamin intake for the goats, inadequate pens, and other challenges.

Concerning the capital for the development of village community businesses, the Village government can use Village Funds to finance the implementation of government functions, development activities, community development, and community empowerment (Arifin et al., 2020). This is stated in the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 7 of 2021, concerning the Priority Use of Village Funds in 2022, which defines Village Funds as funds sourced from the state revenue and expenditure budget (APBN), allocated to villages through the district/city revenue and expenditure budget (Damelia et al., 2024). These funds are used to finance the implementation of government functions, development activities, community development, and community empowerment. However, due to various challenges, such as the insufficient quality of human resources managing Village Funds, the management of Village Funds has been less than optimal (Diansari et al., 2023; Yuwono, 2022). Meanwhile, village funds can be utilized for community welfare through BUMDes. Referring to these problems, this community service program is provided to provide socialization and training related to the Optimization of Village Funds & Institutions with the aim of increasing knowledge, especially for village governments, about the management of Village Funds to support the development of goat farming businesses in Summersawit Village. This is in accordance with the *Sustainable Development Goals* (SDGs) indicators, goal 1, namely efforts to eradicate poverty and goal 8, namely increasing economic growth, productive employment opportunities, and decent work for the community (Frey & MacNaughton, 2016). The outputs of this program include 1) Publication in online mass media; 2) Publication in the Community Service Journal (*Journal of Public Service*) Airlangga University; 3) Video activities published on YouTube Channel; 4) Improving village government insight and skills related to Village Fund and Institutional management.

METHOD

This community service activity was conducted through counseling sessions for 15 farmers in Summersawit Village, Sidorejo District, Magetan Regency, East Java Province. The activity was carried out in two stages: the Preparation stage and the Implementation stage. In the Preparation stage, a representative team from the Department of Economics at Airlangga University (UNAIR) conducted an initial survey. Survey research methods used to study community issues include group interviews, sociometry, population observation, and diagnostic interviews (Withey, 1953; Zakimi et al., 2023). In this case, the method was implemented through meetings with the village head and the BUMDes managers of Summersawit Village. The discussion focused on the initiation of forming a division related to livestock, particularly goats, which are an important economic commodity for local residents. In addition, discussions also took place regarding the potential for other innovations such as the sports and tourism sectors (Ratten, 2023; Vincent, 2005).

At the implementation stage, direct counseling was carried out by experts, where the direct counseling method had a positive and significant effect on farmer skills, while the indirect method had a positive but insignificant effect (Jandu and Utama, 2024). The first material was about BUMDes Institutional Management in the livestock sector from Prof. Rossanto Dwi H, along with Dr. Deni Kusumawardani and Tri Haryanto, Ph.D. Then in collaboration with the Faculty of Veterinary Medicine UNAIR, presenting one of the livestock experts, drh. Faisal Fikri, M.Vet, who provided material on livestock techniques and goat health. In addition, conducting follow-up survey activities on the formation of a livestock division for Village-Owned Enterprises (BUMDes) and a survey of the community's economic potential by M. Syaikh Rohman, M.Ec., Wahyu Wisnu W., M.Sc., and Magdalena Triasih, Ph.D.

RESULT AND DISCUSSION

The team from the Department of Economics consisting of Prof. Rossanto Dwi H, along with Dr. Deni Kusumawardani and Tri Haryanto, Ph.D., conducted community service by providing material on BUMDes Institutional Management in the livestock sector. BUMDes institutional management as a means of developing goat breeder productivity in supporting the economy and can increase the standard of living of the community such as research conducted by Zikargae et al. (2022), which Management of micro and small business institutions (UMK) in West Java made a significant contribution to labor absorption, GDP, and economic growth. In Prof. Rossanto's presentation, he explained that the goat farming sector has the potential to support and increase community income. With the assistance of BUMDes and the independent orphanage foundation, Summersawit Village is believed to be able to compete in livestock commodities in the animal market arena, namely goats.



Figure 2. Conseling by Prof. Rossanto and Team

Then in collaboration with the Faculty of Veterinary Medicine UNAIR, presenting one of the livestock experts, drh. Faisal Fikri, M.Vet, who provided material on goat farming techniques and health. In his material, drh. Fikri explained various important aspects related to goat maintenance, starting from the types of meat that goats produce, how to choose quality parents, to how to care for goats professionally. Increasing the understanding of goat farmers about breeding, feeding, and management can increase the productivity of goat farming (Muatip et al., 2023; Saputro et al., 2023).



Figure 3. Conseling by drh. Faisal Fikri, M.Vet.

The moderator for this counseling is Angga Erlando M.Ec.Dev, lecturer at the Department of Economics, UNAIR. The counseling went smoothly and received an enthusiastic response from goat farmers in Summersawit Village. The material provided by drh. Faisal Fikri was very relevant to the problems that farmers have been facing in the village. One of the main issues raised by drh. Faisal was taught how to choose a good goat mother so that livestock productivity can increase. In addition, drh. Faisal Fikri also provided tips on maintaining goat health and maximizing production results, both in terms of meat quality and livestock reproductive ability.



Figure 4. Enthusiasm Participant

During the Q&A session, many farmers expressed their obstacles in increasing livestock productivity. drh. Faisal Fikri answered these questions by providing practical solutions farmers can use to maximize their productivity. Suyono, one of the farmers, expressed that he felt very helped by the material that drh. Fikri had given and the community would immediately try to apply these suggestions to increase their business productivity. In this extension activity, *a post-test was also* conducted to assess the material provided. *The post-test* is valuable for measuring participants' understanding and learning outcomes in various educational contexts. This test can be used to assess the acquisition of knowledge over time (Heckler & Sayre, 2010). From this test, 86,667% of the 15 farmers had understood the material provided well, as evidenced by *the post-test* that had been carried out.

In addition to providing materials, the team from the UNAIR Department of Economics consisting of M. Syaikh Rohman, M.Ec., Wahyu Wisnu W., M.Sc., and Magdalena Triasih, Ph.D also conducted a follow-up survey on the formation of Village-Owned Enterprises (BUMDes). In the survey, several village officials and community leaders discussed the prospects for establishing a BUMDes livestock division to help manage various village economic potentials. Not only that, the UNAIR team also conducted a survey of the economic potential of the village community. This survey aims to map the sources of income that the Summersawit Village community has so that the village's economic potential can be further explored and developed. With the potential of natural resources and livestock, the UNAIR team is optimistic that with the right strategy, the village economy can grow more rapidly and have a positive impact on the welfare of its people.

Social Implications

The community service activity implemented by the Faculty of Economics, Airlangga University (UNAIR) in Summersawit Village, Sidorejo District, Magetan Regency has had a positive and productive impact on the community, especially goat breeders and the local village government. This program successfully achieved several important targets, including improving public knowledge about goat farming management and the management of Village Funds through the BUMDes institution.

From the activities that have been implemented, some significant results can identified :

- **Improvement of Farmers' Knowledge:** Through seminars and discussions involving livestock expert Drh. Fasial Fikri, goat breeders in Summersawit Village now have a better understanding of how to select superior breeding stock, provide professional care, and implement strategies to increase livestock productivity. The solutions provided by the expert have helped address the problems previously faced by breeders, particularly those related to livestock maintenance and reproduction.
- **Strengthening Village Fund Management and Institutions BUMDes:** This program was also successful in increasing the outlook of the government village in Village Fund Management and Its Importance of institutional BUMDes as a driving force in the local economy. The government village now has a better understanding of the role institutional plays in managing the business of farming goats as well as potential economic others in Summersawit Village.
- **Plan Formation of the Livestock Division BUMDes:** Through a survey conducted during activities, the UNAIR team succeeded in identifying potential for the formation of the Village-Owned Enterprises (BUMDes) Livestock Division, which will manage strategic sectors of the village's economy, including farm goats. Formation BUMDes is expected to push growth in the village's economy in a more structured and sustainable way.

Direction for Future Research

Based on the results that have been achieved, plan devotion furthermore will focus on:

- **Advanced Technical Assistance:** Continue mentoring breeder goats to ensure the implementation of techniques that have been taught to walk effectively.
- **Formation of livestock division BUMDes:** Encouraging the realization of the formation of livestock division BUMDes as a concrete step to organize business farming and improve income village.
- **Monitoring and Evaluation:** Carrying out an evaluation of the impact of the program in general periodically, including monitoring developments of BUMDes and productivity farm goats.

In conclusion, this community service has made a real contribution to improving the welfare of breeders and strengthening institutional management in Summersawit Village. With ongoing support through training, the establishment of BUMDes, and technical assistance, it is expected that the village economy will grow more independently and productively, making Summersawit Village a successful model for utilizing local potential to the fullest.

CONCLUSION AND SUGGESTION

Conclusion

The community service program conducted by UNAIR's Faculty of Economics has significantly contributed to the welfare of goat breeders and the local government in Summersawit Village. The initiative successfully improved farmers' knowledge of goat farming practices, strengthened Village Fund management, and laid the groundwork for the formation

of a livestock division within BUMDes. These achievements are expected to enhance the village's economic sustainability and productivity.

Suggestions:

1. Ongoing Technical Support: Provide continuous mentoring for goat breeders to ensure effective application of improved farming techniques.
2. Establishment of Livestock Division in BUMDes: Encourage the formal establishment of a livestock division in BUMDes to organize farming businesses and boost village income.
3. Regular Monitoring and Evaluation: Conduct periodic evaluations to assess program impact, track the progress of BUMDes, and monitor livestock productivity to ensure sustained success.

ACKNOWLEDGEMENTS

We extend our heartfelt gratitude to the Faculty of Economics, Airlangga University (UNAIR), for their dedicated efforts in organizing the community service program in Summersawit Village. This initiative has brought invaluable knowledge and practical solutions to our local goat farmers and village government, empowering us to address critical challenges and unlock our economic potential. The counseling, discussions, and surveys conducted have provided us with the tools to improve livestock management and optimize Village Fund utilization through BUMDes. We deeply appreciate the collaborative approach taken by UNAIR, which has not only strengthened our community but also paved the way for sustainable growth and development. Thank you for your continued support and commitment to our village's success.

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