



Financial Assistance and the Effectiveness of the Jejama Berkembang Program in Advancing Village-Owned Enterprises

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Abstract

This study aims to analyze the effectiveness of the implementation of the Village-Owned Enterprise Jejama Berkembang Program through financial assistance provided to Village-Owned Enterprises. The program was established to strengthen village economic independence by supporting the development of village-based business units, particularly in digital villages and tourism villages. This research employed a qualitative descriptive approach using interviews, observations, and documentation techniques. The findings indicate that the program has contributed positively to rural economic development, increased community business activities, and strengthened the institutional capacity of Village-Owned Enterprises. The effectiveness of the program is supported by clear regulatory frameworks, government coordination, and financial assistance from the regional government. However, several obstacles remain, including limited human resource capacity, weak managerial competence, and the underutilization of local economic potential. Overall, the program plays an important role in promoting village self-reliance, although continuous supervision, capacity building, and sustainable assistance are still required to improve program effectiveness and sustainability in the future.

Keywords: Policy Implementation, Village-Owned Enterprises, Rural Development, Financial Assistance, Village Self-Reliance.

Introduction

Rural development has become one of the Indonesian government's primary priorities in promoting equitable welfare distribution and reducing socio-economic disparities. This commitment has been further strengthened through the implementation of the Sustainable Development Goals (SDGs), which emphasize poverty alleviation, improved quality of life, and sustainable development as global priorities (Harianto & Listyani, 2025). In the Indonesian context, rural development holds a strategic position because a significant proportion of the population still resides in rural areas that continue to face various limitations in terms of economic conditions, infrastructure, and human resource quality (Firdatin & Gifary, 2021). Through Law Number 6 of 2014 concerning Villages, the Indonesian government granted broader authority to villages to independently manage their local potential

and resources. This policy aims to improve community welfare through the provision of public services, the strengthening of local economies, and the development of village institutions. One of the key instruments supporting rural development is the allocation of Village Funds, which are intended to accelerate development and reduce poverty in rural communities (Putra, 2022).

Nevertheless, the implementation of rural development continues to encounter several challenges. Poverty data indicate that rural areas remain the primary concentration of low-income populations. This condition suggests that increased development funding has not been fully accompanied by the optimal utilization of local economic potential. Consequently, innovative policies are required to encourage rural economic self-reliance through the strengthening of local economic institutions. One of the village-based economic institutions with a strategic role is the Village-Owned Enterprise (Liu et al., 2018). Village-Owned Enterprise was established as a mechanism for community economic empowerment by utilizing local village resources in a productive and sustainable manner (Badaruddin et al., 2021). Its existence is expected to create employment opportunities, increase community income, and contribute to Village Original Revenue. However, its implementation still faces various obstacles, including limited managerial capacity among human resources, weak institutional governance, and the underutilization of village potential (Rismayadi & Maemunah, 2018).

Pesawaran Regency is one of the regions in Lampung that demonstrates a strong commitment to rural development. The regional government has introduced several innovative programs aimed at strengthening community-based economic development and accelerating village self-reliance. One of these initiatives is the Village-Owned Enterprise Jejama Berkembang Program, which provides financial assistance to Village-Owned Enterprise as business capital support for developing local economic potential. The Village-Owned Enterprise Jejama Berkembang Program is implemented based on Regent Regulation Number 31 of 2021 concerning Guidelines for Financial Assistance under the Village-Owned Enterprise Jejama Berkembang Program. Through this policy, the regional government allocates financial assistance amounting to IDR 100,000,000 to eligible villages to support the development of Village-Owned Enterprise business units, particularly in the areas of digital villages and tourism villages. The program is expected to strengthen village economic capacity and accelerate the achievement of self-reliant villages.

Despite these efforts, the implementation of the Village-Owned Enterprise Jejama Berkembang Program still faces several challenges. Data from the Village Development Index indicate that a number of villages in Pesawaran Regency remain

classified as developing villages. This condition reflects that the program has not yet fully generated significant improvements in village independence. In addition, limited managerial capabilities among Village-Owned Enterprise administrators, the underutilization of local resources, and unequal distribution of assistance have affected the effectiveness of the program.

Policy implementation effectiveness therefore becomes a crucial aspect in evaluating the success of government programs. A policy can be considered effective when it achieves its intended objectives, accurately targets beneficiaries, and produces tangible impacts on society (Santa et al., 2019). Accordingly, an evaluation of the Village-Owned Enterprise Jejama Berkembang Program implementation is necessary to assess the extent to which the program contributes to strengthening village economic capacity through the empowerment of Village-Owned Enterprise (Satoto et al., 2024).

Based on these considerations, this study focuses on analyzing the effectiveness of the implementation of the Village-Owned Enterprise Jejama Berkembang Program through financial assistance provided to Village-Owned Enterprise in Pesawaran Regency. This research is important to provide a comprehensive understanding of program achievements, supporting and inhibiting factors, and policy recommendations aimed at improving the effectiveness of rural development initiatives in Pesawaran Regency.

Literature Review

Policy Implementation Effectiveness

Policy implementation effectiveness is a concept used to assess the extent to which a policy achieves its predetermined objectives (Anderson, 2023). Effectiveness is not solely measured by the execution of a program, but also by its ability to generate tangible benefits for the targeted community (Mubarok et al., 2020). In the field of public administration, effectiveness is closely associated with the alignment between planning, implementation, and outcomes. A policy can be considered effective when it successfully addresses public needs, resolves societal problems, and produces sustainable benefits. Therefore, policy implementation effectiveness serves as an essential indicator in evaluating the success of government programs (Mardikaningsih & Hariani, 2021).

Policy implementation fundamentally refers to the process of translating government decisions into practical actions carried out by implementing actors (Shankardass et al., 2018). The success of policy implementation is influenced by several factors, including the clarity of policy objectives, the availability of resources,

inter-institutional coordination, communication, and support from the social and political environment (Newman et al., 2024). According to (Jiang et al., 2024), policy effectiveness can be analyzed through several indicators, namely policy accuracy, implementation accuracy, target accuracy, environmental accuracy, and process accuracy. These indicators demonstrate that successful policy implementation depends not only on the substance of the policy itself but also on the preparedness of implementing actors and the conditions of the communities receiving the policy.

In the context of rural development, policy implementation effectiveness becomes particularly important because it is directly related to efforts aimed at improving the welfare of rural communities (Pena-Orozco et al., 2024). Development programs implemented by local governments are expected to stimulate local economic growth, enhance community capacity, and strengthen village institutions (Sabet & Khaksar, 2024). The effectiveness of policy implementation can also be evaluated based on the extent to which programs create meaningful social and economic changes within rural communities. Consequently, policy evaluation is necessary to ensure that government programs continue to be improved and adjusted to the evolving needs of village communities (Castro-Arce & Vanclay, 2020).

Village-Owned Enterprises

Village-Owned Enterprises are village-based economic institutions established to manage local resources and potential in order to improve community welfare (Manggu & Beni, 2020). The existence of Village-Owned Enterprises constitutes an important component of rural economic strengthening because these institutions function as instruments for community-based business development (Kania et al., 2021). Based on Law Number 6 of 2014 concerning Villages, Village-Owned Enterprises are business entities whose capital is wholly or predominantly owned by the village through equity participation derived from separated village assets. The establishment of Village-Owned Enterprises is intended to promote village self-reliance through the management of productive enterprises that align with the unique characteristics and potential of each village (Harinurdin et al., 2025).

Village-Owned Enterprises perform a strategic role as both social and commercial institutions at the village level. As social institutions, Village-Owned Enterprises aim to provide benefits to the community through public services and economic empowerment initiatives (Wulandari & Wardani, 2024). At the same time, as commercial institutions, they are oriented toward generating profit through productive and sustainable business activities. Therefore, the management of Village-Owned Enterprises must be conducted professionally, transparently, participatively,

and accountably in order to build public trust. Furthermore, the success of Village-Owned Enterprises is strongly influenced by the quality of human resources, managerial competence, and support from village governments (Atmaja et al., 2025).

The development of Village-Owned Enterprises has become one of the government's primary strategies for increasing village-generated revenue and strengthening local economic capacity (Safri et al., 2025). Through Village-Owned Enterprises, local potential in sectors such as agriculture, tourism, trade, and micro-enterprises can be transformed into new sources of economic growth for villages (Hilmawan et al., 2023). In addition, the existence of Village-Owned Enterprises can create employment opportunities, increase community income, and reduce poverty in rural areas. Accordingly, institutional strengthening and capacity building for Village-Owned Enterprises managers are essential to ensure that these enterprises can develop independently and sustainably (Imanuella et al., 2025).

Village-Owned Enterprise Jejama Berkembang Program

The Village-Owned Enterprise Jejama Berkembang Program is a policy innovation introduced by the Government of Pesawaran Regency to promote village economic self-reliance through the strengthening of Village-Owned Enterprises. The program was established as a form of regional government support for productive village-based businesses aimed at improving community welfare. This policy initiative emerged in response to the high number of developing villages in Pesawaran Regency and the suboptimal utilization of village economic potential. Through the Village-Owned Enterprise Jejama Berkembang Program, the regional government provides financial assistance to villages as capital investment for the development of Village-Owned Enterprises business units (Kurniawan et al., 2025).

The implementation of the Village-Owned Enterprise Jejama Berkembang Program is regulated under Regent Regulation Number 31 of 2021 concerning Guidelines for Financial Assistance under the Village-Owned Enterprise Jejama Berkembang Program. The financial assistance is specifically directed toward the development of business units supporting digital villages and tourism villages. Each participating village receives financial support amounting to IDR 100,000,000 to facilitate the development of local potential-based enterprises. In practice, recipient villages are required to fulfill several administrative requirements, including having an active Village-Owned Enterprises, maintaining proper village administration, and demonstrating adequate business management capacity (Pawitan et al., 2025).

The Village-Owned Enterprise Jejama Berkembang Program is expected to function as a stimulus for rural economic growth by strengthening the business

capacity of Village-Owned Enterprises. The program is not merely oriented toward providing financial capital but also aims to create employment opportunities, increase community income, and enhance the utilization of technology in village business management. Furthermore, the success of the Village-Owned Enterprise Jejama Berkembang Program depends on effective coordination among regional governments, village administrations, Village-Owned Enterprises managers, and local communities. With proper implementation, the program is expected to accelerate the realization of self-reliant villages and contribute to sustainable rural development.

Research Framework

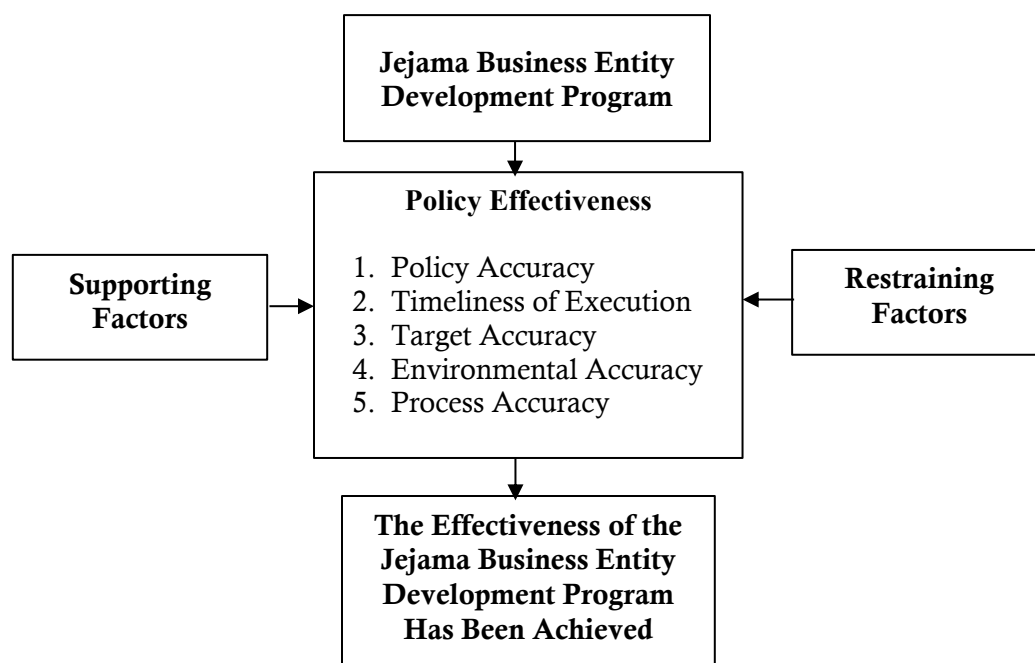


Figure 1. Research Framework

Method

This study employs a qualitative approach with a descriptive research design to analyze the effectiveness of the implementation of the Village-Owned Enterprise Jejama Berkembang Program through financial assistance provided to Village-Owned Enterprises in Pesawaran Regency. A qualitative approach was selected because the study focuses on gaining an in-depth understanding of the policy implementation process, the involvement of implementing actors, and the actual conditions encountered in the field (Asenahabi, 2019). The research object is directed toward the implementation of the Village-Owned Enterprise Jejama Berkembang Program, which emphasizes the development of digital villages and tourism villages through the utilization of information technology, the development of micro-enterprises, and the strengthening of local village economic potential. The study was conducted in Pesawaran Regency, particularly within the Community and Village

Empowerment Office and several villages that received financial assistance through the Village-Owned Enterprise Jejama Berkembang Program.

The data sources in this study consist of both primary and secondary data. Primary data were obtained directly through in-depth interviews with informants involved in the implementation of the program, including officials from the Community and Village Empowerment Office of Pesawaran Regency, sub-district heads, village heads, and managers of Village-Owned Enterprises receiving financial assistance from the Village-Owned Enterprise Jejama Berkembang Program. Meanwhile, secondary data were collected from supporting documents such as regent regulations, program implementation reports, village administrative documents, and scholarly literature relevant to policy implementation and the management of Village-Owned Enterprises. Data collection techniques included interviews, documentation, and observation to obtain comprehensive information regarding program implementation (Dzogovic & Bajrami, 2023). Interviews were conducted to explore information related to policy effectiveness and implementation challenges, while documentation techniques involved reviewing archives, reports, and regulations associated with the Village-Owned Enterprise Jejama Berkembang Program.

Result And Discussion

In this study, effectiveness is defined as the degree of success achieved in the implementation of the Village-Owned Enterprise Jejama Berkembang Program through the provision of financial assistance to Village-Owned Enterprises in Pesawaran Regency in attaining the predetermined program objectives and targets. The concept of effectiveness constitutes an essential aspect of this research because it reflects the extent to which the implemented policy is capable of producing outcomes consistent with the intended goals (Barusman & Rulian, 2020). The analysis of program effectiveness is based on the policy effectiveness theory proposed by (Wang et al., 2012), which encompasses five principal indicators: policy accuracy, implementation accuracy, target accuracy, environmental accuracy, and process accuracy. Through these indicators, this study seeks to evaluate the extent to which the Village-Owned Enterprise Jejama Berkembang Program effectively supports rural economic development and strengthens the capacity of Village-Owned Enterprises in an optimal manner.

Policy Accuracy

Public policy fundamentally refers to a series of actions designed by the government to achieve specific objectives in addressing various societal issues. In the

context of public administration, policy is not merely understood as a formal governmental decision, but also as a comprehensive process encompassing planning, implementation, and program evaluation involving multiple stakeholders. The effectiveness of a policy is strongly influenced by the government's ability to translate policy objectives into practical actions that align with community needs. Consequently, policy implementation constitutes a crucial stage that determines the extent to which a program can achieve its intended goals.

Policy implementation is influenced by several factors, including the availability of resources, implementation strategies, institutional support, and the social and economic conditions of the community. In practice, successful implementation depends not only on the substance of the policy itself but also on the capability of implementing actors to operationalize the program effectively. Findings from interviews with the Head of Teluk Pandan Sub-district indicate that the Village-Owned Enterprise Jejama Berkembang Program has provided benefits to the community through the strengthening of Village-Owned Enterprises, particularly in supporting the development of community-based businesses. The program has been considered effective in stimulating village economic activities through the provision of business capital assistance to Village-Owned Enterprises.

The findings further reveal that the Village-Owned Enterprise Jejama Berkembang Program has generated positive impacts on the development of village business units. The Director of Village-Owned Enterprises Wahana Bahari Lestari stated that the financial assistance provided through the program supported the expansion of Village-Owned Enterprises business activities, including plans to develop savings and loan services for the surrounding community. In addition, the Head of the Division of Finance, Assets, and Village Development explained that the Village-Owned Enterprise Jejama Berkembang Program represents an initiative by the Government of Pesawaran Regency to accelerate the independence of Village-Owned Enterprises and strengthen the rural economy. These findings indicate that the program possesses a clear orientation toward supporting village-based economic development.

Nevertheless, the success of policy implementation remains influenced by both internal and external factors. Implementation failure may occur due to weak program execution, inappropriate policy design, or unfavorable external conditions. Therefore, continuous policy evaluation is necessary to assess the alignment between policy objectives and achieved outcomes. Such evaluation is essential to ensure that implemented programs generate tangible benefits for the community and to provide a foundation for improving future rural development policies.

Timeliness of Execution

Policy implementation is a crucial process in ensuring that a program operates in accordance with its predetermined objectives. The success of implementation is influenced by the clarity of communication, the accuracy of instructions, and the ability of implementers to understand and execute policies consistently. In the implementation of the Village-Owned Enterprise Jejama Berkembang Program in Pesawaran Regency, the regional government has sought to strengthen the rural economy through financial assistance provided to Village-Owned Enterprises. The findings of this study indicate that the program has generated positive impacts on the development of village-based businesses, particularly in the sectors of basic commodity distribution, agricultural product management, and the development of village tourism destinations, all of which have contributed to creating employment opportunities for local communities.

The results further reveal that the successful implementation of the Village-Owned Enterprise Jejama Berkembang Program is supported by effective supervision and coordination carried out by sub-district and village governments. The sub-district head, acting as a supervisory authority, plays an active role in monitoring the progress of Village-Owned Enterprise activities to ensure the sustainability and growth of business operations. This condition demonstrates that policy implementation is determined not only by the substance of the policy itself but also by the support of the implementation environment, communication among stakeholders, and the commitment of policy implementers. Consequently, the Village-Owned Enterprise Jejama Berkembang Program has contributed significantly to increasing rural economic activities and strengthening the local economy in Pesawaran Regency.

In addition, the study found that the implementation of the Village-Owned Enterprise Jejama Berkembang Program requires competent human resources to ensure the optimal management of financial assistance. The placement of implementers who possess adequate knowledge and managerial capabilities in business administration is an essential factor influencing program success. The financial assistance allocated to Village-Owned Enterprises has been utilized to expand productive village businesses, thereby increasing community income and reinforcing rural economic self-reliance. These findings indicate that the effectiveness of policy implementation is strongly influenced by organizational readiness, managerial competence, and the availability of supporting resources.

Overall, the findings demonstrate that the Village-Owned Enterprise Jejama Berkembang Program has provided tangible benefits in supporting the development of Village-Owned Enterprises and improving the economic conditions of rural

communities in Pesawaran Regency. The policy implementation carried out by the regional government has successfully translated policy objectives into operational actions that directly affect society. Nevertheless, the study also highlights the need to enhance human resource capacity, strengthen supervisory mechanisms, and ensure continuous assistance in order to improve the effectiveness and sustainability of the program in the future.

Target Accuracy

The implementation of the Village-Owned Enterprise Jejama Berkembang Program is directed toward strengthening the capacity of Village-Owned Enterprises in Pesawaran Regency through the provision of financial assistance funded by the regional government. The program is designed as an instrument for rural economic empowerment, enabling Village-Owned Enterprises to independently develop business units, increase community economic productivity, and expand development opportunities based on local potential. In practice, the program is not solely focused on the distribution of financial assistance, but also emphasizes the strengthening of institutional governance and the sustainable improvement of village business management capabilities.

Based on interviews conducted with representatives from the Community and Village Empowerment Office, the financial assistance provided to Village-Owned Enterprises is expected to enhance village economic self-reliance and support the development of business initiatives planned by village governments. The program is also considered capable of strengthening accountability in village financial management while improving the managerial competence of Village-Owned Enterprise administrators in conducting business activities. Consequently, the implementation of the program is intended to support rural economic development through more effective and productive resource management.

The implementation of the Village-Owned Enterprise Jejama Berkembang Program is also closely associated with the application of good governance principles. The program encourages the establishment of transparency, accountability, effectiveness, efficiency, and community participation in village development management. The Head of Durian Village explained that the assistance received has generated positive impacts on village business development by supporting the realization of previously planned economic programs. The presence of this program demonstrates collaboration among village governments, local communities, and Village-Owned Enterprise administrators in strengthening village-based economic development.

In addition to enhancing rural economic capacity, the Village-Owned Enterprise Jejama Berkembang Program also supports bureaucratic reform efforts and the improvement of public service quality at the village level. The regional government seeks to establish a more responsive and service-oriented bureaucracy through the enhancement of institutional quality, human resource capacity, and the working patterns of village officials. Therefore, the implementation of the Village-Owned Enterprise Jejama Berkembang Program functions not only as a form of economic assistance, but also as a strategic initiative to strengthen village self-reliance, improve governance quality, and promote more sustainable regional development.

Environmental Accuracy

The implementation of the Village-Owned Enterprise Jejama Berkembang Program through the provision of financial assistance to Village-Owned Enterprises in Pesawaran Regency is strongly influenced by both internal and external organizational environments. These environmental conditions constitute important factors affecting decision-making processes, business management strategies, and the achievement of program objectives. In this context, Village-Owned Enterprises are not only required to manage their internal organizational conditions effectively, but also to adapt to external environmental changes, including economic, social, political, technological, and community-related factors. Therefore, the management of Village-Owned Enterprises requires strong managerial capabilities to identify environmental opportunities and challenges in order to support the sustainability of village-based businesses.

Findings from interviews with the Director of Karya Maju Village-Owned Enterprise indicate that the Village-Owned Enterprise Jejama Berkembang Program has made a positive contribution to business development because the financial assistance provided was aligned with the needs and local potential of the village environment. The program support was considered effective in strengthening village business capacity and encouraging the development of business units based on local resources and potential. Furthermore, the success of Village-Owned Enterprise management was also influenced by the quality of organizational management and the involvement of stakeholders in supporting business operations. This finding demonstrates that the effectiveness of program implementation is determined not only by financial assistance but also by the organization's ability to manage resources efficiently and strategically.

The external environment of Village-Owned Enterprises consists of both micro and macro environments, each of which significantly affects business sustainability.

The micro environment includes relationships with suppliers, consumers, financial institutions, and business competitors, whereas the macro environment encompasses economic conditions, technological developments, government regulations, social values, and broader societal changes. Based on interviews with representatives from the Community and Village Empowerment Office, the implementation of the Village-Owned Enterprise Jejama Berkembang Program has taken these environmental conditions into consideration, including the business performance and business sectors managed by each Village-Owned Enterprise. Consequently, financial assistance has been distributed selectively according to the specific needs and potential of recipient villages.

The findings also reveal that environmental factors play a significant role in supporting the successful implementation of the Village-Owned Enterprise Jejama Berkembang Program at both sub-district and village levels. The financial assistance provided was considered relevant to the needs of Village-Owned Enterprises, particularly in addressing natural environmental challenges and limitations in business capital. In addition, environmental changes such as technological advancement, economic dynamics, and evolving government regulations require Village-Owned Enterprises to continuously adapt in order to maintain business sustainability. Therefore, an organization's ability to understand and respond to environmental changes represents one of the key factors in improving the effectiveness of Village-Owned Enterprise management and ensuring the success of village economic empowerment programs.

Process Accuracy

The implementation of the Village-Owned Enterprise Jejama Berkembang Program represents a regional government policy aimed at strengthening village economic capacity through the provision of financial assistance to Village-Owned Enterprises. The program is implemented in a gradual and structured manner based on mechanisms established by the Government of Pesawaran Regency. Its implementation involves a selection and verification process that evaluates institutional conditions, business performance, and the development potential of Village-Owned Enterprises as recipients of financial assistance. Through this mechanism, the program is expected to encourage more directed and sustainable village business development.

The implementation of the Village-Owned Enterprise Jejama Berkembang Program also highlights the importance of human resource management in supporting the effectiveness of village organizations. Strengthening the capacity of village officials

and Village-Owned Enterprise managers is considered essential to ensure that business management is carried out efficiently, productively, and adaptively in accordance with community needs. Based on interviews conducted with the Community and Village Empowerment Office of Pesawaran Regency, the distribution of financial assistance is carried out in accordance with predetermined stages while considering administrative conditions, business performance, and the ability of Village-Owned Enterprises to develop their business units. This approach reflects the regional government's commitment to applying systematic governance principles in rural economic development.

Fundamentally, the Village-Owned Enterprise Jejama Berkembang Program represents the implementation of a regional economic decentralization policy that provides broader opportunities for village governments to independently manage local potential. The capital assistance provided to Village-Owned Enterprises is utilized to strengthen community economic activities, including agricultural product management and the development of productive village-based businesses. The success of the program implementation is strongly influenced by the effectiveness of systems, procedures, and policy consistency, as well as by the active participation of local communities. Therefore, coordination among stakeholders, supervision, and program control constitute essential aspects in ensuring that policy objectives are achieved optimally.

Furthermore, the implementation of the Village-Owned Enterprise Jejama Berkembang Program requires strong community participation and institutional readiness within Village-Owned Enterprises to ensure that the financial assistance provided can be utilized effectively. The distribution process involves an evaluation of business management practices, program feasibility, and the capacity of Village-Owned Enterprises to develop village economic potential. Consequently, this policy functions not only as a form of financial assistance but also as a strategic instrument for enhancing village self-reliance, expanding community economic opportunities, and improving public welfare through the strengthening of the role of Village-Owned Enterprises in Pesawaran Regency.

Supporting and Hindering Factors in the Implementation of the Jejama Berkembang Business Entity Program in 2023 in Pesawaran Regency

Supporting Factors

The implementation of the Village-Owned Enterprise Jejama Berkembang Program in Pesawaran Regency is supported by several important factors. One of the primary supporting factors is the existence of a clear regulatory framework through

Regent Regulation Number 31 of 2021, which serves as the official guideline for program implementation. In addition, the establishment of a cross-sectoral coordination team involving the regional government, sub-district administrations, and the Community and Village Empowerment Office has strengthened both the implementation and supervision processes of the program. Further support is reflected in the program's focus on strengthening Village-Owned Enterprise business units that contribute to the development of Digital Villages and Tourism Villages. Moreover, the implementation of the program is reinforced by the availability of financial support from the Government of Pesawaran Regency in the form of financial assistance amounting to IDR 100,000,000 for each recipient village across 11 sub-districts. This financial support enables Village-Owned Enterprises to optimize their role in developing the economic potential of rural communities more effectively.

Factors Inhibiting

The effectiveness of the implementation of the Village-Owned Enterprise Jejama Berkembang Program through financial assistance provided to Village-Owned Enterprises in Pesawaran Regency is hindered by the suboptimal management of village funds and previous financial assistance programs in promoting village self-reliance and equitable community welfare. This condition is primarily caused by the limited capacity of Village-Owned Enterprises to manage local natural resource potential, weak institutional strengthening, and the inadequate quality of human resources responsible for managing Village-Owned Enterprises. Although the Government of Pesawaran Regency has introduced the Village-Owned Enterprise Jejama Berkembang Program as a policy innovation aimed at accelerating the realization of self-reliant villages, its implementation continues to face significant challenges, particularly the insufficient quality of human resources, which has resulted in relatively slow program development and limited achievement of policy objectives.

Conclusion

This study demonstrates that the implementation of the Village-Owned Enterprise Jejama Berkembang Program through financial assistance provided to Village-Owned Enterprise in Pesawaran Regency has contributed to rural economic development and enhanced village self-reliance, although its implementation has not yet been fully optimal. The success of the program is supported by the existence of regulatory frameworks, effective government coordination, and budgetary support. However, several challenges continue to hinder its effectiveness, particularly the limited capacity of human resources and the underutilization of village economic potential. Nevertheless, the Village-Owned Enterprise Jejama Berkembang Program

plays a significant role in encouraging developing villages to progress toward self-sufficient villages through the strengthening of Village-Owned Enterprise institutions. Therefore, greater financial support and continuous capacity-building initiatives are required to ensure that the program can be implemented more effectively and sustainably.

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