



The Effect of Optimizing Village Owned Business Entities, Village Assets Management, And Village Government Managerial Performance on Increasing Village Original Income

Ni Luh Supadmi^a I. D. G. Dharma Suputra^b

^a Udayana University, Faculty of Economic and Business, niluhsupadmi@ymail.com

^b Udayana University, Faculty of Economic and Business, dharma.suputra@ymail.com

Keywords

Karma Phala,
Psychological Costs,
Deposit Compliance.

Jel Classification

M10.

Paper Type

Research Article

Received

11.01.2022

Revised

05.02.2022

Accepted

26.02.2022

Abstract

Purpose: The purpose of this study is effectiveness of village-owned enterprise optimization, village wealth management, and village government performance management on the early increase in village income in Badung Regency.

Methodology: This survey was conducted in seven villages in Badung Regency. This study used purposive sampling, by determining the sample with certain criteria, namely the village selected as the sample is a village that has a village-owned business entity and its operational activities are still active. The sample size of this survey was 61 respondents, that is, staff directly involved in the management of households in the village. This study used multiple regression.

Findings: Based on the results of the analysis and testing conducted, optimization of the management performance of Village Owned Enterprises (BUMDesa), Village Asset Management and Village Government will have a positive effect on the increase in the village's original income of Badung Regency.

Originality/Value: This study aims to determine by testing empirically the effect of optimizing village owned business entites, village assets management, and village government managerial, performance on increasing village original income.

Introduction

Village is the smallest unit of a country that has a very large role in a country. Village government is a very important role in creating a good village administration. Good governance is reflected in economic growth and levels of welfare of its people. Rural economic growth is often considered slower than economic development in urban areas.

Village development is one of increasing the economic income of the villagers, the effort What we can do is promote the village community economy with village entrepreneurship. Villages need to carry out physical development and human resource development to improve and improve their quality of life welfare of rural communities. Villages have unlimited privileges, namely being able to manage village assets, services, and services, but are still under supervision by the central government. The management of village assets, services and services is carried out by an agency called the Village Owned Enterprise (BUMDesa). BUMDes is an entity whose capital is wholly or largely own the village through direct participation of the village's assets and manage assets, services, and other efforts for the best benefit of the village community. (Regulation of the Minister of Villages Number 04 of 2015). BUMDes area force that will be able to encourage the creation of an increase in welfare by creating economic productivity for the village based on the various potentials of the village.

The development of the village economy has a goal so that in the future the village can be independent and increase the village's original income by utilizing existing resources in the village. Asset management must be managed optimally and professionally, so that it can generate a source of income for the village. The results of Dewi's research (2017) is managing the village's assets has a positive impact on the level of the village's initial income. This means that if your village equipment has the expertise to manage your village's assets, you can increase your initial income. The increase in village original income can also be influenced by the managerial performance of the village government, namely the ability of the village government to carry out government management functions, so that it can serve, protect, and

develop community participation in development, have sensitivity, both to the views and aspirations of the community. The indicator of the managerial ability from the ability of the village government to manage the organization, obtain environmental support, be able to carry out tasks, and lead. With the managerial capabilities possessed by the village government, the government apparatus will be able to carry out village development in a directed and efficient manner, so as to increase the village's original income.

Badung Regency as one of the regencies that legally has the right to regulate and manage their own household in the area of the Bali provincial government. Badung Regency consists of 6 sub-districts, 16 sub-districts and 46 villages (Badung Regency PMD Office, 2019). Villages in Badung Regency have various economic potentials which are divided into 3 development areas, namely North Badung which includes 2 sub-districts, namely Petang and Abian Semal sub-districts with a regional development center in Blahkiuh with the dominance The fields of plantation activities, food crops, nature tourism, livestock, household goods, nature maintenance. The Central Badung Development Area includes the Mengwi district, which has a development center in Mengwi, which is mainly engaged in agricultural activities, livestock, cultural tourism, small industries and household crafts. The development area of South Badung which includes the sub-districts of South Kuta and North Kuta with a development center in Kuta and is dominated by tourism, education, fisheries, small industries, trade and services activities. Each village in Badung Regency is given the authority to explore the village's potential to increase the village's original income. If the village government in Badung Regency is able to explore and develop the potential of the village, it will automatically increase the village's original income. Judging from the potential of villages in Badung Regency, most of them come from tourism, services and trade activities. With the Covid-19 pandemic, the village's potential from tourism activities has little opportunity to be explored.

Based in this description, researchers are inquisitive about undertaking studies on "The Effect of Optimization of Village Owned Enterprises, Village Asset Management

and Village Government Managerial Performance on Increasing Village Original Income (Study on Villages in Badung Regency)".

Literature Review

Human-Centered Development Theory

In Law no. 6 of 2014 concerning Villages, stated that the human-centered development approach is reflected in the goals of village development and program priorities aimed at improving community welfare, quality of human life, and poverty alleviation. Village development is also described from community involvement in the entire village development process (planning, implementation, and supervision), including in the effort to organize BUMDes activities. Village development through efforts to establish community activities in BUMDes activities is an effort to strengthen village communities as development subjects.

Stewardship Theory

Stewardship theory is a theory that explains situations and conditions managers are not motivated by just an individual goals, but points to the most important outcome goals that are in the interests of the organization. Government management is required to provide services (act as stewards) for the interests of the principal. Thus, management in the government environment is more dominant in acting as a steward than as an agent. This is revealed by research conducted by Morgan et al., (1996) and Slyke (2006).

The implications of stewardship theory for this research can explain the role of the village government as a trustworthy institution to maximize the village's original income. Stewardship theory can make the village government as an executor of government that will work and behave in accordance with the interests of the community.

Definition of Village-Owned Enterprises

Village-owned enterprises (BUMDes) is that all or most of the capital is owned by the village through the direct participation of the village assets. It is a business entity. Services, and other businesses that correspond to the welfare of the community of village.

Definition of Village Assets

According to Law No. 6 of 2014 on Villages, village assets are derived from the village's original assets and are acquired at the expense of the village's budget or through the acquisition of other legal rights. Or a preserved village property.

Understanding Village Government Performance

According to Wibowo (2009:17) states that performance in general can be interpreted as an act or achievement (performance). According to Pasolong (2008:176), a person's ability and motivation to work determine their performance, and work performance is determined by the interaction of ability and motivation. Village government performance is a measure of village government success in achieving its set goals, visions, and tasks. The definition of performance is always related to accountability. Accountability by Mardiasmo (2004) is a form of obligation to explain the success or failure of an organization's mission to achieve specific goals and objectives through a regularly performed accountability medium. Another opinion on accountability is the obligation to provide an account or to explain in response to the performance and actions of the collective leader of an individual / corporation / organization to a party who has the right or authority to request information or accountability (LAN:2000).

Understanding Original Income

Village Original Income (PADes) is income that comes from village origin and municipal authority at the village level. Based on Village Law No. 6 of 2014, The original income of the village contains of such village's business performance, village asset management results, self-help and participation findings, cooperation outcomes, and other lawfully village original income. Items of income are included.

Research Hypothesis

Effect of optimizing village-owned businesses on Increasing Village Original Income

By optimizing village-owned businesses, one of them is the income of the original village affected. By optimizing VillageOwned Enterprises the village government has utilized the natural resources and potential of the existing village well, to be capable of improving the community's well-being. According to human-centered development theory, village development through efforts to establish community activities in BUMDes is an effort to strengthen the community village as the subject of development. Optimization of Village Owned Enterprises is undeniably bringing positive changes in the economic and social fields. Previous research conducted by Puspayanthi (2017) stated that the optimization of BUMDes had a significant impact on village independence.

H1: Optimizing the village-owned business has effect on increasing the original income of the village

The effect of managing village asset on increasing the village's original income.

Village assets that are managed optimally and professionally will be able to generate a source of income for the village. Stewardship theory explains that the contractual relationship between principals and stewards is based on trust, collectively in accordance with organizational goals. Management of village-owned, transparent and professionally managed by the village government, village assets can grow village income and the form and existence of village assets is clearer. This can increase public confidence in the performance of the village government. According to research conducted by Dewi (2017), it states that the optimization as well as the integrity of village asset management has a significant positive effect on increasing Village Original Income. Based on the theory and the results of the study, the hypotheses made are as follows.

H2: Village wealth management has impact on the increasing the original income of the village

Effect of Village Government Managerial Performance on the increase of Village Original Income

The managerial performance of the village government has an important play a role in boosting the village's initial income. In the Stewardship Theory there are two groups, namely principals and stewards who work together to improve quality according to what they want. Indicators of managerial ability of village government officials can be seen through the ability of the government to manage the organization, the ability to obtain environmental support, the ability to carry out tasks, and leadership abilities. In running the government, the village government requires managerial ability in carrying out its duties. With the managerial capabilities possessed by the village government, village government officials can do various things in order to realize the results of village development which can be seen from the increasing the village original income. The results of research from Goma (2015) state that government performance plays an important play a role in boosting the village's initial income through the legalization of government authority by establishing village-owned enterprises, and supported by Septianingsih (2017) that village government performance has a positive but not significant effect on increase in village original income. Based on the theory and the research results, the proposed hypothesis is as follows.

H3: The managerial performance of the village government has a positive impact on the growth of Village Original Income

Research Methodology

Research Approach

This takes a look at making use of a quantitative method in the shape of associative. The quantitative method is a study technique primarily, used to study positive populations and samples with the purpose of checking out installed hypotheses (Sugiyono, 2017). Associative studies are studying those pursuits to decide the connection among or greater variables (Sugiyono, 2017). The effects of the look at are anticipated to offer empirical proof concerning the effect of Optimization of Village Owned Enterprises, Village Asset

Management and Managerial Performance of Village Governments on Increasing Village Original Income.

Research sites

The survey site was conducted in the village of Badung Regency, where BUMD is located. The reason for choosing the research location the original village income in Badung Regency is greater than other villages in the regency/city in Bali Province and all villages have BUMDes.

Data Types and Sources

Qualitative and quantitative data used in this study. Qualitative used in this study are research instruments, literature, journals and books, also quantitative data is the number of villages selected as research locations. Primary data is from respondent by the answers of research question, secondary data is the number of villages that have BUM Desa in Badung Regency.

Instrument of Research

The total of instrument used depends on the number of variables under study (Sugiyono, 2017) because the study equipment is used to measure the values of the variables under investigation. The measurement scale used in this study is the Likert scale. The statements used had a range of values for each survey variable of 14 points. The research variables are as follows:

Dependent Variable

Dependent variable is the increase in Village Original Income (PADes).

Village Original Income

IncomeOriginal Village (PADes) (Y) is income that comes from village authority based on origin rights and local village scale authority. The indicators used to measure the management of village original income in this study are the following:

a). Transparent, namely the principle of openness that allows the community to know and access as much information as possible about the village's finances. The

principle of accepting the right of the community to receive accurate, honest and non-discriminatory information about the activities of the village government, while adhering to the provisions of laws and regulations.

b) Accountability, Implementation of commitments responsible for resource management and control, and implementation of outsourcing policy to achieve set goals. The principle of accountability states that the end result of all activities and administrative activities of the village government is the responsibility of the village community in accordance with the provisions of law.

c). The implementation of village administration, including elements of the village system and village community, is participatory.

d). Regulatory and budgetary discipline or village financial management must be related to the underlying rules or policies.

Independent Variable.

a) Optimization of Village Owned Enterprises

To measure the variable of Optimization of Village Owned Enterprises (X1), three main elements are used, covering three important dimensions, namely economic, social (cultural), and environmental. The three main elements are absolutely included in determining indicators to measure the optimization of the role of BUMDes on a rural scale. Of the three main elements developed into eight question items include 1). BUMDes can improve the economy of the village. 2. BUMD can optimize the management of village assets to help the well-being of the village community. 3). BUMD will strengthen the community's efforts to manage the village's economic potential. 4). BUMDes develops Plans for business collaboration with rural communities and 3rd parties 5). BUMD creates possibilities and business networks to meet the requirements and public services of villagers. 6). BUMDes brings employment opportunities to rural areas. 7). BUMD improves community welfare by improving public services in the health, education, The village's economy is growing and being distributed fairly. 8). BUMD has the potential to increase both the village community at large and the village's original income.

b) Village Asset Management

Village Asset Management (X2) is a series of activities that begin with planning, procurement, exploitation, exploitation, security, maintenance, erasure, transfer, management, reporting, evaluation, guidance, monitoring, and control of village assets (Permendagri No. 1 of 2016 concerning Asset Management Village). Management of village assets be optimally carried out, one of which is by establishing a BUM Desa. The indicator used to measure the optimization of village asset management in this study is the principle of village asset management according to Law Number 6 of 2014 concerning Villages, article 77 covering 1). public interest, 2). Functional. 3). Legal certainty, 4). Openness, 5). Efficiency, 6). Effectiveness, 7). Accountability, 8). Certainty of economic value.

c) Village Government Managerial Performance

Village government managerial performance (X3) is a measure of the success of the village government in achieving the goals, as well as the vision and mission of the village government that has been determined. Measurement for the Village Government Managerial Performance variable, using measurement indicators developed by Dwiyanto (2008:178) explains Several indicators for measuring the performance of public bureaucracy, first, the roductivity It not only measures efficiency, but also the service's effectiveness In general, productivity is comprised of inputs and outputs. Second, when describing the performance of public service firms, the quality of service is usually important. Many negative opinions about public institutions are developed as a result of public disenchantment with quality. Third, the ability of bureaucrats to identify responsiveness, community needs, develop service schedules and priorities, and develop public service programs that meet community needs and aspirations. The last is the Responsibility describes as to if public bureaucratic activities are carried out in accordance with the correct administrative principles with both explicit and implicit bureaucratic guidelines.

Accountability refers to the scope of public bureaucratic policies and activities that are generally covered by elected political commissars, or the scope of public bureaucratic policies and activities that comply with the will of the public.

Method of Determination of Population & Research Sample

Population

The population are villages that have BUMDes in Badung Regency. The number of villages that have BUMDes in Badung Regency is 46 villages (Department of Village Community Empowerment June 2019).

Sample of the research

This study used purposive sampling, namely the method of determining the sample with criteria. The villages selected as samples in this study are villages that have BUMDes, BUMDes operational activities are still active during the Covid-19 pandemic, not engaged in tourism. The sample of this research was taken from 7 villages in Badung Regency. The respondents Village officials participated in this study, namely the Village Head as the leader of the village administration, with the Village Secretary serving as the implementation coordinator, KAUR for Financial Affairs, KAUR for General Affairs, KAUR for People's Welfare, KAUR for Government, KAUR for Development, Village Consultative Body (BPD), Head of Dusun, and Indigenous Village Chief. The samples in this study were 61 respondents.

Data analysis method

The data quality test on this study are validity & reliability test. Data analysis used on this study are descriptive statistics and inferential statistics. This study also used classic assumption test.

Research Result and Discussion

Description of Research Respondents

The number of samples in this study were 70 respondents, but only 61 returned questionnaires. So the number of samples analyzed in this study was 61 respondents.

Characteristics of Respondents

Characteristics of respondents based on gender, level of education, and years of service are presented in Table below.

Respondents in each village have different characters or identities in having completed the survey. The characteristics of the respondents to this survey are grouped by gender, age, and education level, as shown in Table 1 below.

Table 1 Respondents

No	Characteristics	Frequency (Person)	Percentage (%)
1	Gender		
	Man	45	74
	Woman	16	26
	Amount	61	100
2	Age		
	21-30	2	3
	31-40	13	21
	41-50	27	45
	>50	19	31
	Amount	61	100
3	Education		
	secondary school	2	3
	senior High School	42	69
	D1-D3	3	5
	D4 / S1	12	20
	S2	2	3
	Amount	61	100

Source: Data processed, 2021

Based on the data in Table 1 shows that, the respondents in this study were dominated by men with a total of 45 people or equivalent to 74 percent, much larger than women who only amounted to 16 people or around 26 percent. This means that most of the work in village administration is carried out by men.

Meanwhile, for the age in this study the majority were at the age level of 41-50 years as many as 27 people with a percentage of 45 percent. This number is much larger than those aged 21-30, which only had 2 people and 31-40 as many as 13 people and the remaining 19 people. This indicates that most respondents are at the age of 41-50 years, which is a mature age to become a leader.

Table 1 shows that the occupations of respondents in this study are dominated by high school education, which is 42 people or equivalent to 69 percent. Then followed

by D4-S1 as many as 12 people, D1-D3 as many as 3 people, SMP as many as 2 people, and S2 as many as 2 people, if the competencies possessed by the village apparatus are not in accordance with the demands of their duties and responsibilities.

Research Instrument Test

Table 2 Validity Test Results

No	Variable	Instrument Code	Pearson Correlation Nilai	Description
1	Optimization of Village Owned Enterprises	X1.1	0.711	Valid
		X1.2	0.331	Valid
		X1.3	0.511	Valid
		X1.4	0.574	Valid
		X1.5	0.639	Valid
		X1.6	0.746	Valid
		X1.7	0.658	Valid
		X1.8	0.660	Valid
2	Village Asset Management	X2.1	0.725	Valid
		X2.2	0.857	Valid
		X2.3	0.876	Valid
		X2.4	0.874	Valid
3	Village Government Managerial Performance	X3.1	0.654	Valid
		X3.2	0.697	Valid
		X3.3	0.854	Valid
		X3.4	0.810	Valid
4	Increasing Village Original Income	Y1	0.872	Valid
		Y2	0.797	Valid
		Y3	0.846	Valid
		Y4	0.749	Valid
		Y5	0.803	Valid

Source: data processed 2021

Based on Table 2, it can be concluded that the instrument used in this study is valid and can be used because it has a Pearson correlation value above 0.3.

Table 3 The result of Reliability Test

Variable	<i>Cronbach's Alpha</i>	Description
Optimization of Village Owned Enterprises (X1)	0.755	Reliable
Village Asset Management(X2)	0.852	Reliable
Village Government Managerial Performance (X3)	0.744	Reliable
Increase in Village Original Income(Y)	0.872	Reliable

Source: data processed 2021

Based on Table 3 it can be concluded that all variable statements used in this study are reliable and can be used because they show the value of *cronbach alpha* >0.70.

Classic Assumption Test Results

The classical assumption test was carried out before testing and analyzing the data with the regression model. Based on the result of normality test result, the value of *asymp.sig(2-tailed)* is 0.200, so it can be concluded that the regression model in this study is normally distributed because *Asymp. Sig (2-Tailed) >p (0.05)*.

The tolerance and variance factor (VIF) values indicate the tolerance is greater than 10% or VIF is less than 10, then the model is not multicollinear. The results of the multicollinearity test are shown in Table 4.5 below.

Table 4 Table of Multicollinearity Test Results

Variable	<i>Tolerance</i>	VIF	Description
Optimization of Village Owned Enterprises (X1)	0.685	1,460	Multicolle free
Village Asset Management(X2)	0.383	2,611	Multicolle free
Village Government Managerial Performance (X3)	0.447	2,236	Multicolle free

Source: data processed 2021

The tolerances and VIF values for all of these variables are shown in Table 4 and that each variable has a tolerance greater than 10% and a VIF value less than 10. This implies that the regression equation model is not multicollinear. The heterogeneous

dispersibility test in this study uses the Glejser test, which is evident from the significance value above the 5% confidence level. The results of the non-uniform dispersibility test are shown in Table 5.

Table 5 Heteroscedasticity Test

		Coefficients^a				
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.069	.229		.299	.766
	Optimization of Village Owned Enterprises	0.014	0.049	0.045	.284	.777
	Village Asset Management	.004	.066	0.012	0.054	.957
	Village Government Managerial Performance	-.021	.068	-.060	-.305	.761

Source: data processed 2021

Based on Table 5 it can be seen that the value of sig. of each of the variables above 0.05, so it can be concluded that none of these variables exhibit heteroscedasticity

Multiple Linear Regression Test

The results of the multiple linear regression test are presented in Table 6 below.

Table 6 Results of Multiple Linear Regression Tests

Variable	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	-1,319	0.346		-3,810	0.000
Optimization of Village Owned Enterprises (X1)	0.585	0.075	0.518	7,848	0.000
Village Asset Management (X2)	0.363	0.100	0.322	3,646	0.001
Village Government Managerial Performance (X3)	0.290	0.102	0.232	2,840	0.006
Adjusted Rsquare : 0.830					
Fcount : 92,698					
Sig. Fcount : 0.000					

Source: data processed 2021

Based on Table 6 can be made a model of multiple linear, the equation as follows:

$$Y = -1.319 + 0.585 X1 + 0.363 X2 + 0.290 X3 + e \dots\dots\dots(1)$$

The interpretation of the above equation is as follows:

- 1) Constant value (α) of -1.319 means that if the optimization variables of village-owned enterprises (X1), village asset management (X2) and village government managerial performance (X3) are considered non-existent or equal to zero, the increase in village original income (Y) will decrease. .
- 2) The value of the coefficient 1 in the optimization variable for village-owned enterprises of 0.585 means that if the other variables are constant while the optimization of village-owned enterprises (X1) increases by 1 unit, the increase in village original income (Y) will increase by 0.585 units.
- 3) The value of the coefficient 2 on the village asset management variable of 0.363 means that if the other variables are constant while the village asset management (X2) increases by 1 unit, the increase in village original income (Y) will increase by 0.363 units.

4) The value of the coefficient 3 on the village government managerial performance variable of 0.290 means that if the other variables are constant while the village government's managerial performance (X3) increases by 1 unit, then the increase in village original income (Y) will increase by 0.290 units.

Coefficient of Determination Test

The coefficient of determination (adjusted R2) is 0.830, as shown in Table 4.8. An adjusted R2 value of 0.830 indicates that 83% of village income growth fluctuations can be explained by village business optimization, village wealth management, and village government management performance variables. increase. conduct. The remaining 17% is explained by variables not included in the model

Model Feasibility Test

Table 7 Model Feasibility Test Results (F Test)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3,39	3	1.046	92.698	0.000b
	Residual	0.643	57	0.11		
	Total	3.783	60			

Source: data processed 2021

Based on Table 7, it can be seen that the significant F or P value of $0.000 < 0.05$ means that all variables are able to explain the increase in village original income and the regression model used is considered feasible as a test tool.

Hypothesis testing

1) Hypothesis Testing 1

The results of testing the first hypothesis (H1) in Table 4.8 show that the significance level t-value is 0.000. H1 was accepted because it has a regression coefficient of 0.585 and is less than the 5% significance level (0.05). Hypothesis 1 states that optimizing village farms has a positive impact on increase the income of the original village. This

means that the more optimal the management of BUMDes is, the village's original income sourced from the BUMDes' profit share will increase.

The research results support the theory of human-centered development, namely village development through efforts to establish community activities in BUMDes is an effort to strengthen village communities as development subjects. Optimization of Village-Owned Enterprises is undeniably bringing positive alterations in the economic and social sectors for rural communities. The results of this study also support previous studies by Puspayanthi (2017), BUMDes optimization has a significant positive effect on village independence, and BUMDes studies by Dewi (2014) have increased. Has had an impact. Original village income.

2) Hypothesis Testing 2

Test result the second hypothesis (H2) in Table 4.8 shows a significance level of t value of 0.001 and less than the 5% (0.05) significance level with a regression coefficient of 0.363, so from this we can conclude that H2 is accepted. Hypothesis 2 has been proven that managing village wealth has a positive impact on the increase of the village's original income. It means Professional management of village assets will generate a source of income for the village, and can boosting the village's original income.

The results of this study support the Stewardship Theory which explains the contractual relationship between principals and stewards based on trust in accordance with organizational goals. The village government, which has been entrusted with managing village assets, should manage village assets in a professional, clear, and accurate manner in terms of their form and existence, so that village assets can become a source of income for the village. This will increase public confidence in the performance of the village government.

The results support the findings of Dewi (2017), who stated that optimizing and specializing in the management of wealth in the in the village has a strong positive influence on the village's initial income.

3) Hypothesis Testing 3

Test result third hypothesis (H3) Table 4.8. Indicates that the value of the significance level of t is 0.006, which is less than the significance level of 5% (0.05) with a regression coefficient of 0.290. Therefore, we can conclude that H3 is accepted. Hypothesis 3 which states that the managerial performance of the village government has a positive impact on increase of village original income is proven. It means The managerial performance of the village government has a fairly important role. The better the managerial performance of the village government, the village's original income will increase.

The results also support the Stewardship theory according to this theory there are two groups, namely principals and stewards who work together to improve the quality according to what they want. With the managerial capabilities possessed by the village government, village government officials through their authority can carry out various activities in exploring potential sources of village income to increase village original income in order to finance and realize village development. Measuring the performance of a village government is a form of vertical accountability. In other words, your boss evaluates the performance of your subordinates and as material for horizontal accountability of village governments, namely to the community for the mandate given to them.

The results of this study are consistent with Goma's (2015) study, which states that government performance plays an important role in boosting the village's initial income through the legalization of government power by establishing village-owned enterprises. It is also supported by research conducted by Septianingsih (2017) that the performance of the village government It has a positive impact on the growth of the village, but it is not significant on original income.

Conclusions and Suggestions

Conclusion

The conclusion of this study is, there is a positive effect on optimizing the village's business, managing village wealth and, the village government's leadership performance on the boosting of village's original income. This means that the more optimal the management of BUMDes is, the village's original income sourced from the BUMDes' profit share will increase, second, the professional management of village assets will generate a source of income for the village, and can boosting the village's original income. The last is the managerial performance of the village government has a fairly important role in boosting the village's original income. The better the managerial performance of the village government, the village's initial revenue will increase.

Suggestions

The suggestion of this study is the village government must be more optimal in managing BUMDes and village assets and improve the competence of village government officials by providing training or attending continuing education, 69 percent of village officials had a high school education level, also for future researchers, they can add research samples because this research was only conducted in seven villages.

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