

Factors Affecting Job Satisfaction of BUMDesa Heads in the District of Bogor, West Java, Indonesia

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Abstract

Mandated by Law No. 6 / 2014, the establishment of Village-Owned Enterprises (BUMDesa) aims to promote the welfare of rural communities by providing decent work and improving economic management and growth at the village level in line with Sustainability Development Goals (SDGs). Job satisfactions of BUMDesa's heads play a crucial role in ensuring that those aims are realized. This study analyzes factors affecting BUMDesa's heads in the district of Bogor, West Java, Indonesia. Data were collected by use of questionnaire interviews with 243 active heads of BUMDesa. The Structural Equation Model (SEM) was applied using the Lisrel 8.70 software. Four variables, i.e. salary/wages, supervision, co-workers and the job itself, were analyzed. The results show that salary/wages have the lowest indicator value, meaning that BUMDesa's heads are statistically dissatisfied with the level of their salary/wages. On the contrary, BUMDesa's heads are shown to be satisfied by their coworkers' performance. Higher level governments need to assist village governments to adopt a fairer remuneration structure to improve job satisfaction, and hence, the performance of BUMDesa.

Keywords: BUMDesa, job satisfaction, rural salary/wages, rural economic management, sustainable development goals.

Introduction

Villages are the foremost government agents that can reach the real target groups to be prospered. Village development can be improved through the development of the potential of the village economy and become a forum for rural communities to develop themselves and their environment independently and in a participatory manner. The Village Law states that village

development aims to improve the quality of human life and reduce poverty, through the provision of basic needs, development of facilities and infrastructure, development of local economic potential, and sustainable use of natural resources and the environment, by promoting togetherness, kinship, and mutual cooperation in order to realize peace and social justice. To improve the ability of the village government to administer and increase community income through various economic business activities of rural communities, village-owned enterprises can be established in accordance with the needs and potential of the village.

Article 87 of the Law states that Village-Owned Enterprises (BUMDesa) can be established by the Village Government and managed with a spirit of kinship and mutual cooperation to utilize all economic potential, economic institutions, as well as the potential of natural resources and human resources in order to improve the welfare of the village community. The prosperity of the Indonesian people as mandated by the 1945 Constitution, or true community welfare, is believed to be built starting from the village level.

BUMDesa provides a space for taking the role of the state through the Village Government to manage natural resources owned by the village and production fields that are important for the village and that control the livelihood of villagers, namely by forming a business entity or called a Village-Owned Enterprise (BUMDesa). BUMDesa is a village business formed/established by the village government in which capital ownership and management are carried out by the village government and the community. BUMDesa is expected to stimulate and drive the economy in rural areas.

In Bogor Regency, out of 434 villages, 416 have village status. All villages in Bogor Regency are required to be able to develop Village-Owned Enterprises or BUMDesa. This program is considered important to further realize village independence. This is in accordance with the expectations of the Bogor Regency Government, which requests that all villages immediately develop BUMDesa. The Regional Government of Bogor Regency also does not want BUMDesa that is created only as a form. BUMDesa are asked to innovate and be creative to raise the potential of the village. Based on the data from the Bogor Regency Community and Village Empowerment Office (DPMD) in 2021, out of 416 villages, 37 villages have a Legal Entity certificate, 43 villages are in the process of improving Legal Entity documents, 2 villages are in the process of improving their names and 161 villages are still in the stage of just having a name. Based on this data, only 243 BUMDesa are active, the remaining 173 BUMDesa are not active. Based on the BUMDesa ranking category, out of 416 villages, 7 villages have independent status,

12 BUMDesa in the advanced category, 68 BUMDesa in the developing category and 329 in the basic category.

The existence of BUMDesa is very important so that the economy in the village can be developed and become independent. Until now, there are still as many as 173 BUMDesa that are not active. Various central and regional government efforts that aimed at making the economy developed and independent have not been maximized. Moreover, Law No. 6/2014 on the Use of Village Funds has been running for three years, but its use by villages in Bogor Regency is more focused on the physical, but less in community empowerment. In addition, village officials still do not understand the mechanism of the village financial management system, which already has rules. The regulation states that one village must have one BUMDesa, whose business types are adjusted to the potential, resources and basic needs of the community. The current Bogor Regency Government has directed and required every village to have a BUMDesa (Perbup No. 79 Year 2018).

The existence of BUMDesa is like two sides of a coin. On the one hand, it holds potential and hope for people's lives through optimizing the potential of natural resources and human resources, on the other hand, BUMDesa has complicated problems. From several problems, it can be summarized into two main problems, namely Human Resources and aspects of Commitment to the Organization of BU Village leaders in the management of BUMDesa. The Human Resources (HR) crisis is one of the top ranking issues for village development, especially the establishment and the development of BUMDesa. This has to do with the role of the BUMDesa chairperson.

The BUMDesa chairman has an important role in activating as well as developing BUMDesa. But in reality many BUMDesa chairmen fail to activate as well as develop BUMDesa. One of the things that cause it is related to the job satisfaction of the BUMDesa chairman. The low job satisfaction of the chairman in managing BUMDesa is also prominent in Bogor Regency. Meanwhile, if we look at the foundation, BUMDesa was established due to the social cohesiveness of the village community with all volunteerism to advance the village. These two things will create a dilemma in BUMDesa governance where BUMDesa is required to work professionally, on the other hand it must accommodate the demands of local labor absorption, where local human resources have limited capacity and capability. Meanwhile, from a social perspective, the existence of BUMDesa brings significant changes. On the one hand, BUMDesa, which is a business entity formed by the village community based on the principles of mutual cooperation and openness, is required to serve the needs of the entire community, opening up

broad access for community involvement in management and supervision. Meanwhile, on the other hand, there is pressure from the community for BUMDesa to be managed professionally in order to bring in large profits and transparent management. This situation forces BUMDesa to be managed seriously and have high job satisfaction from all BUMDesa administrators.

BUMDesa in Bogor Regency has not been managed optimally, many of the BUMDesa administrators in managing BUMDesa still do not show seriousness. This shows how low the level of job satisfaction of BUMDesa administrators in Bogor Regency. The author conducted interviews with the management of the Bogor Regency BUMDesa forum. The following is the data from the author's interview with the BUMDesa forum management in Bogor Regency.

Based on the results of the pre-survey, there are still 43.3% of BUMDesa heads have salary problems. The statement item in the indicator concerns the condition of whether the BUMDesa head feels the salary given is in accordance with the work given and the compensation given is in accordance with the job position. Based on the results of the pre-survey, there are still many BUMDesa heads who feel that the salary given is not in accordance with the work given and the compensation provided is not in accordance with the position received.

There are 63.3% of BUMDesa heads with problems in Supervision. The statement items in the indicator relate to the condition of the opportunity to complete work in their own way, being able to work under supervision and the position given is in accordance with the educational background. Based on the results of the pre-survey, there are still many BUMDesa heads who cannot complete work in their own way, have not been able to work under supervision and the position given is not in accordance with their educational background. There are 62.3% of BUMDesa chairpersons with problems in co-workers.

The statement items in the indicator relate to the condition of whether the BUM chairman gets help in completing work, other administrators have an open attitude at work and the Village Government always provides support to the BUMDesa chairman. Based on the results of the pre-survey, there are still many BUMDesa chairpersons who do not get help from other administrators in completing their work, other administrators do not have an open attitude at work and the Village Government give little support for the BUMDesa chairperson.

There are 70.8% of BUMDesa chairpersons with problems in the work itself. The statement items in the indicator relate to the condition of whether the head of BUMDesa is always responsible for work, has the ability to work, the facilities and infrastructure available can help complete the work and a conducive work environment can make work comfortable. Based on the

results of the pre-survey, there are still many BUMDesa heads who are less responsible for their work, lack the ability to work, lack of facilities and infrastructure available and a less conducive work environment that makes work less comfortable.

On this basis, many BUMDesa heads do not get Job Satisfaction. The absence of Job Satisfaction has an effect on low Commitment to the Organization which leads to the decision of the head of the BUMDesa to leave his job. The movement of the BUMDesa chairman in the form of resignation, moving outside the organizational unit, high layoffs will have a negative impact on the BUMDesa, including causing instability and uncertainty in the condition of the BUMDesa and increasing training costs, causing moral problems in existing administrators and also inflating costs in recruitment because the head of the BUMDesa has to adapt again.

This paper is important because it describes the actual condition of the BUMDesa leadership in Bogor Regency and is expected to provide answers to the main causes of job dissatisfaction with BUMDesa leaders in Bogor Regency so that if the main factors that cause low job satisfaction can be found, then it can be used as a reference for a solution is found for the solution and can be used as a reference or input for BUMDesa heads in Bogor Regency and related agencies, namely the Bogor Regency government through the Bogor Regency Community and Village Empowerment Service (DPMD) to jointly solve the problem of job satisfaction for BUMDesa heads. This research is expected to find new things from previous research, namely this paper contains a wider and more numerous respondents, namely the heads of BUMDesa in Bogor Regency, other articles generally examine only one BUMDesa. The topic of job satisfaction research is usually researched on the type of economic business and is profit oriented, while BUMDesa is an economic and social business in which job satisfaction is not only measured based on material satisfaction but also non-material satisfaction.

Theory Review

According to Robbins and Judge (2013: 79), Job Satisfaction can be defined as a positive feeling on the job resulting from the evaluation of characteristics. A person with a high level of Job Satisfaction holds positive feelings about their job, while a dissatisfied person holds negative feelings about their job. According to Ivancevich (2010: 72) Satisfaction is a feeling experienced by someone, where what is expected has been fulfilled or even what is received exceeds what is expected, while work is a person's effort to achieve goals by obtaining income or compensation from his contribution to his place of work. Thus Job Satisfaction is an individual's

attitude towards his job, which comes from his perception of his job.

Colquitt, Lepine and Wesson (2009: 104), defines Job Satisfaction as an individual's emotional condition arising from an assessment of his job, or experiences on the job. In other words, Job Satisfaction shows how a person feels about his job and what he thinks about the job. It is also said that Job Satisfaction is a pleasant emotional expression obtained from an assessment of a job or an experience in other words it is an expression of how a person feels and thinks about his/her job. BUMDesa leaders with high Job Satisfaction will have a positive feeling experience when thinking about their tasks or taking part in their work and BUMDesa leaders with low Job Satisfaction will have a negative feeling experience when thinking about their tasks or taking part in their work.

Luthans (2011: 144) suggests that Job Satisfaction is a positive emotional state of a person arising from appreciation for the work he has done. It is further stated that Job Satisfaction is the result of a person's achievement on how well his job provides something useful to him.

Greenberg & Baron (2008: 148) described individual Job Satisfaction as a positive or negative attitude towards their job. The same thing is also stated by Kreitner & Kinicki (2008: 271), Job Satisfaction is an affective or emotional response to various aspects of one's job. Dipboye, Smith and Howell (2004: 157) view Job Satisfaction as the overall result of the chairman's degree of liking or disliking various aspects of his job.

The dimensions of Job Satisfaction according to Luthans (2011: 106) are shown from six dimensions, including the following:

1. Salary

The amount of wages received and the level at which this can be seen as appropriate compared to others in the organization. The chairman sees salary as a reflection of how management views their contribution to the organization.

2. Supervision

The ability of the supervisor to provide technical assistance and behavioral support. It can be argued that there are two dimensions of supervisory style that influence Job Satisfaction. The first dimension is leader-centeredness, measured by the degree to which the supervisor takes a personal interest in and cares about the leader. The other dimension is participation or influence, as illustrated by managers who allow people to participate in decision-making.

3. Coworkers

The degree to which coworkers are technically proficient and socially supportive. Recent

research indicates that groups that require interdependence between members to get the job done, will have high Job Satisfaction. Recent cross-cultural research has found that if members oppose the team in general and team rules in particular, then they will be less satisfied than if they were part of the team.

4. The job itself

In terms of where the job provides interesting tasks, opportunities to learn, and the chance to accept responsibility. Recent research has found that job characteristics and job complexity link between Personality and Job Satisfaction, and if employees' creative job requirements are met, then they are likely to be satisfied.

5. Promotion

Promotion opportunities are opportunities to advance in the organization. Promotion in the traditional sense means climbing the hierarchical ladder of success in the organization.

6. Working conditions

Working conditions related to the atmosphere of the workplace. In other words, the effect of the work environment is the same as the effect of the work group. If all goes well, there is no Job Satisfaction problem. If things go badly, the problem of job dissatisfaction will arise.

In this study only four dimensions were used because two dimensions were promotions and working conditions. Promotion is not used as a reference because currently there is no promotion route for BUMDesa in Bogor Regency, for Working Conditions it is not used because most or almost all BUMDesa in Bogor Regency do not have their own workspace. The existing workspace is part of the village government office space, while this research does not examine village governance.

Methods

This research uses a quantitative research approach. Quantitative research is a study that basically uses a deductive-inductive approach. This approach departs from a theoretical framework, the ideas of experts, and the understanding of researchers based on experience, then developed into problems that are proposed to obtain justification (verification) or rejection in the form of empirical field data documents. Meanwhile, to analyze the influence of each variable is using the Structural Equation Modeling (SEM) analysis technique.

The reason for choosing this type of research is because researchers want to know what factors affect the Commitment to Organization of the BUMDesa chairman in Bogor Regency. This

type of research is verification research with explanatory survey method. The population in this study is the head of BUMDesa in Bogor Regency, each BUMDesa totaling 1 person. The number of BUMDesa in Bogor Regency is 416 BUMDesa from 39 Districts in Bogor Regency. Based on the population, the determination of the sample in this study, the authors used Proportional Random Sampling by using the random sampling method together as effectively and efficiently as possible. The number of samples taken in this study was determined using the criteria of active BUMDesa. Thus the number of BUMDesa heads who will be sampled from a population of 416 BUMDesa heads is 243 BUMDesa heads who are active and have a business. Data analysis using quantitative. The research data were analyzed using descriptive statistics, prerequisite test analysis and inferential statistics.

Results And Discussion

Table 1. Validity Test of 1st order Indicators of each latent variable on Job Satisfaction

Latent variables	Indicator	Standardized LoadingFactor	t-count	Remark
GU	GU1	0,45	5,79	valid and significant
	GU2	0,43	5,95	valid and significant
	GU3	0,45	5,75	valid and significant
	GU4	0,38	5,00	valid and significant
	GU5	0,74	7,09	valid and significant
	GU6	0,79	7,20	valid and significant
	GU7	0,62	6,80	valid and significant
	GU8	0,77	6,84	valid and significant
SU	SU1	0,49	7,16	valid and significant
	SU2	0,87	7,78	valid and significant
	SU3	0,82	8,01	valid and significant
	SU4	0,80	7,63	valid and significant
RK	RK1	0,77	2,73	valid and significant
	RK2	0,64	9,39	valid and significant
PK	PK1	0,61	7,61	valid and significant
	PK2	0,75	10,38	valid and significant
	PK3	0,83	10,25	valid and significant
	PK4	0,82	10,44	valid and significant

Table 1 shows that 18 observable indicators of the Job Satisfaction variable passed the validity test.

Tabel 2. Goodness of Fit Index (GOFI) Job Satisfaction Variable

GOFI	Yield Value Count	Standard Value for Good Match	Conclusion
RMSEA	0,087	≤ 0,08	Good Fit
NFI	0,95	≥ 0,95	Good Fit
NNFI	0,97	≥ 0,95	Good Fit
CFI	0,98	≥ 0,95	Good Fit
IFI	0,98	≥ 0,90	Good Fit
RFI	0,97	≥ 0,90	Good Fit
Std. RMR	0,090	≤ 0,10	Good Fit
GFI	0,96	≥ 0,90	Good Fit
AGFI	0,92	≥ 0,90	Good Fit

From Table 2, it can be seen that for the latent variable Job Satisfaction as a whole has a good fit so it can be concluded that the fit of the model for this variable is good.

The Confirmatory Factor Analysis (CFA) test for the Job Satisfaction Variable (η_1) aims to show the relationship between the observed variables as indicators of the latent variable shown from the results of the 2nd CFA Job Satisfaction Variable as follows:

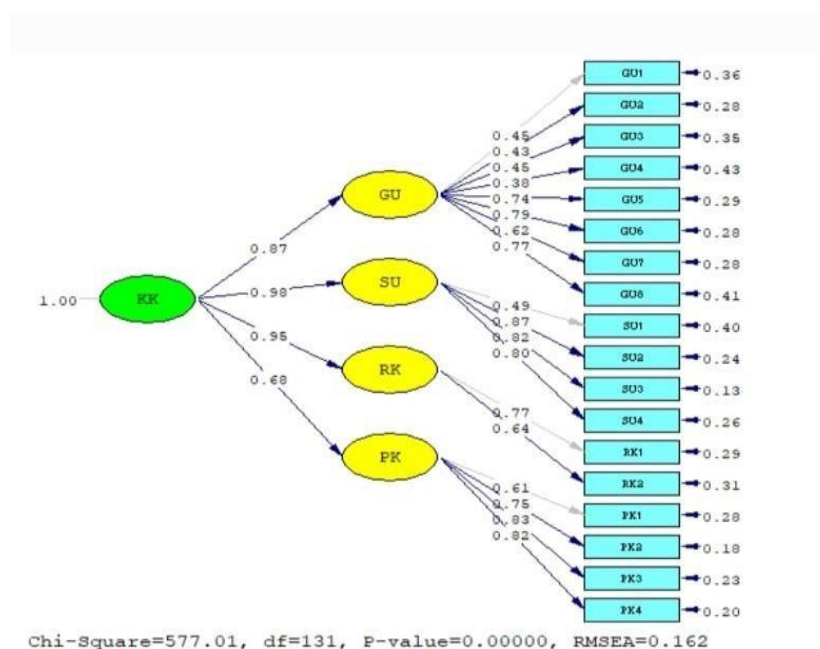


Figure 1. 2nd CFA of Job Satisfaction Variable

Description:

GU: Salary/Wages

SU: Supervision

RK: Coworkers

PK: The Work Itself

Table 3. Test of Job Satisfaction Indicators in the SEM model

	Variable	Loading	t-statistic	Explanation
KK	GU	0,87	6,69	valid and significant
	SU	0,98	7,37	valid and significant
	RK	0,95	10,32	valid and significant
	PK	0,68	6,93	valid and significant

Source: Primary data processed by researchers with Lisrel 8.70

Based on Table 3, it can be concluded that the factor loading value of the relationship between the GU, SU, RK and PK indicator variables with the Job Satisfaction construct (η_1) each has a t-statistic value of GU 6.69, SU 7.37 RK 10.32 and PK 6.93. Thus GU or Salary/Wages is the lowest indicator value, meaning that with this value respondents are not satisfied with the Salary/Wages obtained, thus this factor is the most dominant factor in influencing Job Satisfaction of BUMDesa heads in Bogor Regency. While the highest value is RK or Coworkers with a t-statistic value of 10.32, meaning that with this high enough value, respondents feel quite satisfied with the Co-worker indicator.

Based on the results of these statistical calculations, salary is the main factor that causes low job satisfaction for BUMDesa heads in Bogor Regency. Those who receive a salary are still far below the standard wage/UMK provisions in force in Bogor Regency because BUMDesa's income is still small. It becomes a dilemma which should come first, salary or working capital, if the salary comes first then there is no working capital, if working capital comes first then there is no salary for the BUMDesa chairman, this causes many BUMDesa not to provide wages/salaries to the chairman BUMDesa and this causes low job satisfaction for BUMDesa chairmen in Bogor Regency. The results of this study are supported by research conducted by Dewi Sartika in 2022 with the research title "Analysis of the Factors Influencing Employee Job Satisfaction at Regional Public Companies for Drinking Water in Makassar City" which shows that salary has a positive and significant effect on Employee Job Satisfaction at Public Companies Makassar City Drinking Water Area which is proven by the test results of the calculated T value of 3,114 > T table of 1,987 with a significance level of 0.003 < 0.05.

Conclusions

Based on the results of the analysis test using SEM Lisrel 8.70, it can be concluded that the factor loading value of the relationship between the GU, SU, RK and PK indicator variables with the Job Satisfaction construct (η_1) each has a t-statistic value of GU 6.69, SU 7.37, RK 10.32

and PK 6.93, thus Salary/Wages is the lowest indicator value, meaning that with this value the respondent is dissatisfied with the Salary/Wages obtained, thus this factor is the most dominant factor in influencing Job Satisfaction of BUMDesa heads in Bogor Regency. While the highest value is RK or Coworkers with a t-statistic value of 10.32, meaning that with this high enough value, respondents feel quite satisfied with the Co-worker indicator.

Suggestions

To increase Job Satisfaction of BUMDesa heads in Bogor Regency, the program that can be implemented is to fulfill the Salary/Wages dimension with indicators that the salary received can meet daily needs, according to established rules, can increase morale, and can increase Job Satisfaction. The BUMDesa chairman is expected to improve the performance of the BUMDesa business so that BUMDesa can meet the salary/wage needs of the BUMDesa chairman and management. To get competent BUMDesa employees, one of the attractions is to increase the indicators of salaries and wages in accordance with the indicators of meeting daily needs for BUMDesa employees. Increased wages can be in the form of providing incentives for employee work.

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