

Welfare Level of Arta Murti BUMDes Members Anturan Village, Buleleng District in Term of Social Entrepreneurship Approach

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Abstract --- This study aimed at determining the welfare level of Arta Murti BUMDes members in term of social value, civil society, innovation, and economic activity dimensions. The population of study was 363 members of Arta Murti BUMDes and the samples were 190 people applying random sampling technique. Data were collected by using questionnaires and documentation. Data were analyzed by descriptive analysis technique. The results of study showed that the welfare level of Arta Murti BUMDes members in term of social value dimensions was totally in agree category with 3235 score; the welfare level of Arta Murti BUMDes members in term of civil society dimension was totally in agree category with 2804 score, the welfare level of Arta Murti BUMDes members in term of innovation dimension was 2803 in agree category; the welfare level of Arta Murti BUMDes member in term of economic activity was 1664 in agree category.

Keywords---civil society, economic activity, innovation, social value

I. INTRODUCTION

Law Number 32 Year 2014 mandates the government to implement regional autonomy by implementing decentralization principle. Autonomy gives full authority to a region running an independent and creative government in order to improve a welfare in the region. The aim of regional autonomy is to optimize the development of community welfare, including society of rural area which becomes a central point of development.

The welfare development of society is essentially aimed at building village independence. It is one of the

government's missions to build rural independence that can be achieved through society empowerment in the field of entrepreneurship to improve community welfare [1]. President Joko Widodo states that focusing on development priorities is important, which needs to be strengthened with the right targeting by intensifying existing resources [2]. Synergy and harmony between the doers as well as intensifying an existing

resources will provide strength in reaching hope through Nawa Cita together, called as welfare. There are nine Nawa Cita carried by the pair President Joko Widodo and Vice President Jusuf Kalla. Two of nine change programs for Indonesia (Nawa Cita) are related to economy, namely: The first to develop Indonesia from the periphery by strengthening regions and villages within the framework of a unitary State. The second, realizing economic independence by mobilizing strategic sectors of domestic economy, it can be started with the micro finance movement by the community through rural entrepreneurship and it is as a strategy for development and welfare growth [3]. Entrepreneurship is a creative and innovative ability to see opportunities and always open for positive suggestion and change [4]. Entrepreneurship is expected to bring the business grow and have entrepreneurship value to give benefits for community which can be achieved through entrepreneurial activities carried out by applying the concept of social entrepreneurship [4]. Various groups begin discussing the concept of social entrepreneurship as an innovative solution in solving social problems, one of them is community welfare. Social entrepreneurship is a concept of empowerment in the business world that focuses on community empowerment as a solution to overcome social problems such as poverty, environmental damage, welfare, etc. [5]. Social entrepreneurship faces problems as an

opportunity to form a new business model that is useful for empowering the surrounding community. Social entrepreneurship involves entrepreneurial behavior that is more oriented on achieving social goals and it does not prioritize profitability, or the obtained profits are used for social purposes [6]. Social entrepreneurship is a combination of great enthusiasm in social mission with discipline, innovation, and determination as common in the business [7]. Social entrepreneurship activities can include unprofitable activities as well as running business for social purposes, a mixture of both goals, namely: not for profit, and for profit, but for social purposes. Social entrepreneurship consists of four main dimensions, namely: civil society, economic activity, innovation, and social value [8]. Social value is the most distinctive element of social entrepreneurship which designs a real social benefits for community and surrounding environment. The best way to measure social entrepreneurship success does not depend on calculating the amount of profit generated, but it depends on the level of social values creation [7]. The term of social value is used to distinguish it from term of economic value creation, which tends to limit itself on a financial income measurement so that activists of social entrepreneurship must always struggle with efforts to find new or different opportunities in creating or maintaining social values. Indicators of social value depends on providing social values or benefits, overcoming market failures and creating new opportunities in society. The second dimension is civil society. Social entrepreneurship generally comes from an initiative and participation of civil society by optimizing a social capital in the community [8]. The definition / meaning of social elements in entrepreneurship is an activity launched by a group of citizen, decision making power is not based on capital ownership, limited profit distribution [9]. The third dimension is innovation. Social innovation has connection with social entrepreneurship. Social innovation is the foundation of social entrepreneurship for doing a business or activity to look for an opportunity, improve the system, find a new approach, and decide solutions to better environmental changes [10]. A social entrepreneur seek an innovative way to ensure that his business get an access to the needed resources as long as they can create a social value [11]. Social entrepreneurship solves social problems in innovative ways like combining local wisdom and social innovation. In the social entrepreneurship view, the intended value is social value because it strongly emphasizes how to create an innovative idea or suggestion in order to solve a social problem. Innovation is the ability of applying a creative solution towards problems and opportunities as to improve or enrich the lives of people [12]. In innovation, it can create a better value both for organizations, shareholders, and all community [13] and innovative behavior detailed deeply for conducting an innovative process consisting of four aspects, namely: seeing opportunities, delivering ideas, struggling, and application. The fourth dimension is Economic Activity. A successful social entrepreneurship can be seen on the balance of social activities and business activities. Business / economic activities are developed to ensure the independence and sustainability of the organization's social

mission. One thing that distinguishes between social enterprise and business enterprise is the decision making which is not based on share ownership. This is a character of social enterprise where the main activity purpose is to maximize social benefits. It can be said like a continuum, then social enterprise is on the opposite side of the business enterprise. Some experts say that social enterprises have social dimensions while business enterprises have economic dimensions. Social entrepreneurship moves in a distinctive and different way along with other conventional patterns. There are several ways of social entrepreneurship activity to moves in the community, namely: business activities with social goals as the main part, where the surplus profit is invested in predetermined main objectives and activities carried out by the voluntary sector, where honorariums are paid in return for working on a product or service. It means that social entrepreneurship activities can move in the business area with clear social goals, or in the voluntary sector with a clear profit distribution [5].

The aim of social entrepreneurship is the realization of social change in a better direction and solve social problems, especially community welfare problem [4]. The welfare of a region can be seen through the poverty level of area. One area with a high poverty rate, especially in Bali Province, is Buleleng Regency. According to the Central Bureau of Statistics, the largest number of poor people in the Province of Bali is Buleleng with a population of 35,200 people and one village in Buleleng with a low level of welfare is Anturan village with a pre-prosperous family level of 60.7 % in 2018. Therefore, the solution of social welfare problems in Anturan village must be done immediately. It can be solved by creating social entrepreneurship and one form of social entrepreneurship in rural communities is a Village Owned Enterprise (*BUMDes*) developed by village government. *BUMDes* is a business which the entire or part of its capital is owned by the village through direct participation derived from separated village assets in order to manage assets, services and other businesses to extent a welfare of rural communities (Law Number 32 Year 2004). There are four dimensions of social entrepreneurship that are used to measure community welfare, namely: social value, civil society, innovation, and economic activity. From four important dimensions, they have a relationship with the activities carried out by *BUMDes*, especially Arta Murti *BUMDes*, in Anturan Village, Buleleng District. Arta Murti *BUMDes* conducts economic activities such as: savings and loans, marine tourism and rubbish management by the community.

II. METHOD

The design of this study was descriptive research. Descriptive research is interpreted as a research that attempts to describe a phenomenon / event systematically based on what it is [14]. This study aimed at describing the welfare level of Arta Murti *BUMDes* members in terms of social value dimension, civil society, innovation, and economic activity. The setting of study was conducted at Arta Murti *BUMDes*, Anturan Village, Buleleng District.

The type of data used in this study was quantitative data. Quantitative data are numerical or number data which are analyzed using statistics [15]. The sources of data collection in this study were primary and secondary data. In this study, data collection methods were documentation and questionnaires. The population of study was Arta Murti BUMDes members, with a total of 363 people. Based on the existing population, random sampling techniques was used in this study. In order to get a sample as a description of population, this study applied Slovin formula and 190 Arta Murti BUMDes members as samples. Data collection was done by distributing questionnaires. Obtained data from questionnaires were analyzed with descriptive analysis techniques by determining the number of scores, highest and lowest scores, as well as interval ranges.

III. RESULT AND DISCUSSION

A. Welfare Level of Arta Murti BUMDes Members In Terms of Social Value Dimension

The welfare level of Arta Murti BUMDes members in term of the social value dimension could be seen from three indicators. In the first indicator (giving value or social benefit) was in agree category with 520 score which was in the range of 443,333-570. In the second indicator

(overcoming market failure) was in agree category with 1070 score as well as in range 886,667-1140. In the third indicator (creating new opportunities in the community) was in agree category with 1645 score as well as in range 1330-1710.

In total, the welfare level of Arta Murti BUMDes members in terms of the social value dimension was 3235 with a score range of 3040-3420 and it belonged to agree category. It means that the community is greatly helped by the existence of Arta Murti BUMDes to deal with social problems, one of them is financial problems overcoming through savings and loan activities. For people who have more funds, the community will save their funds on Arta Murti BUMDes in form of savings, and for people who need funds, the community will borrow from Arta Murti BUMDes. From the loaned funds by community, it will be used as a capital to open a new businesses to balance market conditions along with open up new opportunities in the community. The main opportunity is the opportunity for the community to be an employee and opportunities to open a business from a loan that has been made. The results of the study can be seen in table 1.

Table 1. Welfare Level of Arta Murti BUMDes Members Viewed From the Dimension of Social Value

Dimension	Indicator	Score	Score Range	Category
<i>Social Value</i>	1. Providing social values or benefits	520	443,333-570	Agree
	2. Overcoming market failure	1070	886,667-1140	Agree
	3. Creating new opportunities in the community	1645	1330-1710	Agree
Total		3235	3040-3420	Agree

Source: primary data processed, 2019

B. Welfare Level of Arta Murti BUMDes Members Viewed From the Dimensions of Civil Society

The welfare level of Arta Murti BUMDes member in terms of civil society dimension can be seen from three indicators. In the first indicator (activities conducted by a group of society in agree category with 1689 score and in

the range of 1330-1710. In the second indicator (decision making doesn't depend on capital ownership) was in agree category with 556 score and in the range of 443,333-570. The third indicator (limited profit distribution) was in agree category with 559 score and in the range of 443,333-570. The result of study can be seen in table 2.

Table 2. Welfare Level of Arta Murti BUMDes Members in Term of Civil Society Dimension

Dimension	Indicator	Score	Score Range	Category
Civil Society	1. The activities conducted by a group of society	1689	1330-1710	Agree
	2. The decision making doesn't depend on capital ownership modal	556	443,333-570	Agree
	3. Limited profit distribution	559	443,333-570	Agree
Total		2804	2470-2850	Agree

Source: primary data processed, 2019

In total, the welfare level of Arta Murti BUMDes members in term of civil society was in agree category with 2804 score and score range 2470-2850. It means that Anturan villagers participate in village economy development although the benefit is not in form of material. It is done by opening new businesses in the community and decision making also ask the community suggestion in order to create a nice service for all.

C. Welfare Level of Arta Murti BUMDes Members in Term of Innovation Dimension.

The welfare level of Arta Murti BUMDes members in term of innovation dimension can be seen from four indicators, namely: seeing opportunities, delivering ideas, struggling, and applications. The results of the study can be seen in table 3.

Table 3. Welfare Level of Arta Murti BUMDes Members in Term of Innovation Dimension

Dimension	Indicator	Score	Score Range	Category
Innovation	1. Seeing the opportunities.	561	443,333-570	Agree
	2. Delivering idea	552	443,333-570	Agree
	3. Struggling	558	443,333-570	Agree
	4. Application	1132	886,667-1140	Agree
Total		2803	2470-2850	Agree

Source: primary data processed, 2019

Table 3 showed that welfare level of Arta Murti BUMDes members in term of innovation dimensions in the first indicator (seeing opportunities) was in agree category with 561 score and in the range of 443,333-570. The second indicator (delivering ideas) was in the agree category with 552 score and in the range of 443,333-570. In the third indicator (struggling) was in agree category with 558 score and in the range of 443,333-570. The fourth indicator (application) was in agree category with 1132 score and in the range of 886,667-1140.

In total, the welfare level of Arta Murti BUMDes members in term of innovation dimensions was in agree category with 2804 score and 2470-2850 score range. It means that Arta Murti BUMDes members agree that Arta Murti BUMDes is able to seek the opportunities and create a new or innovative way that Arta Murti BUMDes have never

conducted before. One of innovative businesses is processing organic rubbish into organic fertilizer. This innovation created by Arta Murti BUMDes and it will be the foundation for Arta Murti BUMDes in handling business activities to seek opportunities, improve a system, find a new approach and create prosperity, and solutions to a better environmental change.

D. Welfare Levels of Arta Murti BUMDes Members in Term of Economic Activity Dimension

The welfare level of Arta Murti BUMDes members in terms of economic activity dimensions can be seen from two indicators, namely: business activities with social objectives and activities conducted by the voluntary sector. The results of the study can be seen in table 4.

Table 4. Arta Murti's BUMDes Welfare Levels Viewed From the Dimensions of the Economic Activity

Dimension	Indicator	Score	Score Range	Category
<i>Economic Activity</i>	1. Business activities with social goal	550	443,333-570	Agree
	2. Activities conducted by the voluntary sector	1114	886,667-1140	Agree
Total		1664	1330-1710	Agree

Source: primary data processed, 2019

Table 4 showed that the welfare level of Arta Murti BUMDes members in term of the economic activity dimension in the first indicator (business activity with social goal) was in agree category with 550 score and in the range of 443,333-570. In the second indicator (activities conducted by the voluntary sector) was in agree category with 1114 score and in the range of 886,667-1140.

In total, the welfare level of Arta Murti BUMDes members in terms of economic activity dimensions was in agree category with 1664 score and 1330-1710 score range. It means that Arta Murti BUMDes members agree that Arta Murti BUMDes in carrying out their business do not only prioritize material benefits. Economic profit is one of the goals Arta Murti BUMDes as to support the business continuity of Arta Murti BUMDes, but material profit is not main goal to be achieved. Without seeking an excessive material profits to the community, it will help to improve community, because a successful social entrepreneurship can be seen from the balance of business activities and activities with a clear social goal in order to help meet the needs of community and the access is open to all villager from various elements.

IV. CONCLUSION AND SUGGESTION

A. Conclusion

The conclusions in this study as follows. First, the welfare level of BUMDes members in term of social value dimension can be seen from total score of 3235 with a score range of 3040-3420 and includes in agree category. It means that the community agrees and supported by Arta Murti BUMDes because with a provided access through savings and loans activities, the community can open new businesses and also create a job opportunities in order to create prosperity and reduce social problems in the community.

Second, the welfare level of BUMDes members in term of civil society dimension is in agree category with 2804 score and score range of 2470-2850. It means that the community agrees to join actively in Arta Murti BUMDes business management, because Arta Murti BUMDes always involves its members operating its business. In terms of service, Arta Murti BUMDes always serves Anturan villagers from various elements, because social

entrepreneurship will run well if management and decision making involves all parties.

Third, the welfare level of BUMDes members in term of innovation dimensions is in agree category with 2804 score and score range of 2470-2850. It means that members of Arta Murti BUMDes agree that Arta Murti

BUMDes is able to seek an opportunity and create a new or innovative thing which Arta Murti BUMDes have never conducted before. One form of innovative businesses is processing organic rubbish into organic fertilizer. This innovation created by Arta Murti BUMDes as the foundation for the BUMDes Arta Murti in running business activities to seek opportunities, improve the system, find new approaches and create prosperity and solutions to better environmental change.

Fourth, the welfare level of BUMDes members in term of economic activity is in agree category with 1664 score and score range of 1330-1710. It means that members of Arta Murti BUMDes agree that Arta Murti BUMDes in running their business do not only prioritize material profit. Economic profits is one of the goals of Arta Murti BUMDes to support the business continuity, however material profits are not the main goal to be achieved. Without seeking an excessive material benefit to the community, it will help to improve the community welfare because a successful social entrepreneurship can be seen from the balance between business activities and activities with clear social goals.

B. Suggestion

Based on the results and conclusions of study, there are some suggestion as follows. First, Arta Murti BUMDes members are expected participate continually in the business activities in waste management, and saving and loan as provided a good access by Arta Murti BUMDes.

Second, Arta Murti BUMDes is expected to always improve the service quality to community by providing service to all community without differentiating the community social status and help community to overcome their social problem by delivering new idea and create a job opportunity to community.

Third is for further researchers. It is expected to develop this study by examining other factors outside of this study. Thus, the welfare level is not only seen from social entrepreneurship dimension but the other influenced factors.

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