

Analysis of the Influence of Capital Structure and Work Effectiveness Employees on Bumdes Financial Performance

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KEYWORDS

Capital Structure

Employee Work Effectiveness

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ABSTRACT

This research aims to determine the influence of capital structure and employee work effectiveness on the financial performance of BUMDES. The sample in this study consisted of 20 respondents. The data collection technique used an 18-item questionnaire. The questionnaire was declared reliable with 0.714 for the capital structure variable, 0.516 for the employee work effectiveness variable and 0.544 for the BUMDES financial performance variable. The data that was collected was analyzed using descriptive and inferential statistics. The data analysis technique used is the multiple linear regression test, R determination and to test the hypothesis the t test is used. This test is carried out to measure the influence partially, while to measure the influence simultaneously the F test is used. The results of the study show that the employee work effectiveness variable (X2) has a positive and significant effect on the financial performance of BUMDES (Y). In the F test, the value $F_{count} = 8.957$ is obtained, then a comparison is made between $F_{count} = 8.957 > F_{table} = 3.59$ with a significance value of $0.000 < 0.05$, which means the hypothesis is accepted. So it can be concluded that the capital structure variables (X1) and employee work effectiveness (X2) have a positive and significant effect on the financial performance of BUMDES (Y). Based on the processing results, the R Square figure is 81.30 or 81.30%. These results indicate that the percentage contribution of the influence of independent variables, namely capital structure and employee work effectiveness on BUMDES financial performance is 18.70%. Meanwhile, the remaining 0.187 or 18.70% is influenced by other variables not studied in this research.

1. Pendahuluan

The development of the economic base in rural areas has long been carried out by the government through various programs. However, these efforts have not produced satisfactory results as desired together. One of the most dominant factors is that government intervention is too large, as a result it actually inhibits the creativity and innovation of village communities in managing and running the economic engine in rural areas. The institutional economic system and mechanism in rural areas are not running effectively and have implications for dependence on government assistance, thus killing the spirit of independence. Based on this assumption, the existence of villages should receive serious attention from the central government with the birth of policies related to community economic empowerment, BUMDES was born as a new approach in efforts to improve the village economy based on village needs and potential.

BUMDES management is fully implemented by the village community, namely from the village, by the village, and for the village. In principle, the establishment of a Village-Owned Enterprise (BUMDES) is one of the village's choices in the

village economic business movement, which is contained in the Village Law, Article 87 paragraph (1), Article 132 paragraph (1) and Article 4 of the PDRT Village Regulation No. 4/2015 concerning the establishment, management and management and dissolution of BUMDES. In the village legislation, it shows recognition and respect for village initiatives in the economic business movement (Zulkarnaen, 2016). According to Law No. 6 of 2014 concerning Villages, it is stated that BUMDES is a Business Entity whose capital is wholly or mostly owned by the village through direct participation originating from village assets that are separated to manage assets, services, and other businesses for the greatest welfare of the village community. Capital for Village-Owned Enterprises can come from the village government, community savings, central government assistance, provincial government assistance, district/city government assistance, loans, or capital participation from other parties or profit-sharing cooperation on a mutually beneficial basis which can be carried out after obtaining approval from the Village Representative Body (Afrizal and Ramadhani, 2021).

To achieve national development goals, the village is the leading government agent that can reach real

target groups that are to be prospered, namely by forming a business entity, namely the Village-Owned Enterprise (BUMDES) in accordance with the Minister of Home Affairs Regulation Number 39 of 2010 concerning village-owned enterprises, which states that to improve the ability of the village government in organizing government and increasing community income through various rural community economic business activities, a village-owned business entity was established according to the needs and potential of the village. This village-owned business entity is a village business formed/established by the village government whose capital ownership and management are carried out by the village government and the community. This BUMDES is also expected to be able to stimulate and drive the wheels of the economy in rural areas (Ramadana, et al., 2013).

From the results of a survey by Columbia University and Korn Ferry International in 1986, there was a new awareness from the leaders of a company or agency. They realized that the fate of a company or agency was not determined by financial capital, machines, technology and capital. The development of the economic base in rural areas has long been carried out by the government through various programs. However, these efforts have not produced satisfactory results as desired together. One of the most dominant factors is that government intervention is too large, as a result it actually inhibits the creativity and innovation of village communities in managing and running the economic engine in rural areas. The institutional economic system and mechanism in rural areas are not running effectively and have implications for dependence on government assistance, thus killing the spirit of independence. Based on this assumption, the existence of villages should receive serious attention from the central government with the birth of policies related to community economic empowerment, BUMDES was born as a new approach in efforts to improve the village economy based on village needs and potential.

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To achieve national development goals, the village is the leading government agent that can reach real target groups that are to be prospered, namely by forming a business entity, namely the Village-Owned Enterprise (BUMDES) in accordance with the Minister of Home Affairs Regulation Number 39 of 2010 concerning village-owned enterprises, which states that still, but Actually is at in hand "intangible capital" which is none other than human resource competence. Human resources are not only the most strategic assets for a nation and country but in essence are also one of the capitals that play an important role in achieving the goals of a company or agency. Through mature human resource planning, the effectiveness of the existing workforce can be improved. To form the effectiveness of good employee work is not easy. One aspect that can affect employee work effectiveness is: the work environment and organizational culture in an agency will be able to affect the effectiveness of employee work (Aranda, 2015).

The target of the company/business entity can be achieved if work productivity can run according to the target. Because in essence productivity is an economic motive to obtain as many results as possible at the lowest cost. One thing that distinguishes it is that work productivity as an accentuation of the application of economic motives lies largely in the human factor of the implementer of the organization's activities themselves, namely members, employees or workers. The human factor has a very dominant role in determining the success or failure of organizational activities in realizing its goals. A company/business entity with capital, nature and advanced technology, even though it is not successful in producing goods or services without the effectiveness of its employees (Ana, 2023). The performance of a company/business entity is generally measured based on net income (profit). The elements directly related to the measurement of net income (profit) are income and

expenses. Recognition and measurement income and expenses, and therefore also net income (profit), depend in part on the concept of capital and capital maintenance used by the company/business entity in preparing financial statements. Income and expenses can be presented in the income statement in several different ways in order to provide relevant information for economic decision-making. Financial statements as an analytical tool for comprehensive financial management of a company/business entity can be used to detect/diagnose the health level of a company/business entity, through analysis of cash flow conditions or the performance of the company's organization, both partially and overall organizational performance (Harmono, 2023). Assessing the financial performance of village-owned enterprises (BUMDES) can be done by looking at the results of the financial reports made each period, but it will be more meaningful if the business entity does not only assess financial performance from the financial reports.

Business entities can assess financial performance in more depth by analyzing financial reports, so that business entities can assess whether their financial performance is healthy (good) or unhealthy. If you only rely on the results of financial reports, business entities may make mistakes in making decisions about BUMDES financial performance (Afriзал and Ramadhani, 2016). BUMDES potential, has a beautiful environment and a large land area of ≥ 900 m² so that it has the potential to cultivate catfish and is planned to be developed into goat farming. To see how the capital structure and employee work effectiveness affect the development of BUMDES financial performance in the village. Based on this, the researcher is interested in conducting research on the effect of capital structure and employee work effectiveness on BUMDES financial performance.

2. Method

A. Location and Time

This research was conducted through BUMDES analysis. This research started from March 2023 to May 2023.

B. Population and Sample

Population is a combination of all elements in the form of events, things or people who have similar characteristics that are the focus of the researcher's attention (Ferdinand, 2014 in Yasar, 2017). Therefore, it is seen as a research universe. The population in this study were employees working at BUMDES, totaling 20 employees. The sample is a part drawn from the population (Istijanto, 2009 in Lorosae, 2015). The sampling technique used in this study is a saturated sample (census), namely all members of the population, namely all members of the population totaling 20 employees.

C. Type of Article

This study uses a quantitative approach. (Yulianingsih, Kurnia, and Julia 2020).

D. Data Analysis

This study uses descriptive data analysis techniques, a form of analysis based on the distribution of respondents' answers to the overall concept being measured. From the distribution of respondents' answers, a tendency will be obtained from all answers. existing and multiple linear regression analysis techniques.

3. Results and Discussion

BUMDES was born as a new approach in efforts to improve the village economy based on the needs and potential of the village. BUMDES management is fully implemented by the village community, namely from the village, by the village, and for the village. In principle, the establishment of a Village-Owned Enterprise (BUMDES) is one of the village's choices in the village economic business movement, which is contained in the Village Law, Article 87 paragraph (1), Article 132 paragraph (1) and Article 4 of the PDRT Village Regulation No. 4/2015 concerning the establishment, management, management and dissolution of BUMDES. According to Law No. 6 of 2014 concerning Villages, it is stated that BUMDES is a Business Entity whose capital is wholly or mostly owned by the village through direct participation originating from village assets that are separated to manage assets, service services, and other businesses for the greatest welfare of the Village community. The capital of a Village-Owned Enterprise can come from the village government, community savings, central government assistance, provincial government assistance, district/city government assistance, loans, or capital participation from other parties or profitsharing cooperation on a mutually beneficial basis which can be carried out after obtaining approval from the Village Representative Body.

This research was conducted at the BUMDES office. The research was conducted in October 2023 with a sample of 20 people. The business managed by BUMDES is Sangkuriang catfish cultivation, Sangkuriang catfish was chosen because it has better quality in terms of nutritional value, namely containing omega 3 compared to other types of catfish. To carry out BUMDES activities in achieving goals, an organizational structure is needed. Organizational structure is a system for dividing tasks and responsibility and the establishment of relationships between organizational elements so that people can work together as effectively as possible in achieving a goal. Through the organizational structure as a shared container to achieve certain goals, everyone who

works in the organization clearly knows their position, authority and responsibility.

1. Validity Test

Before In fact, regarding the variables of Capital Structure, Employee Work Effectiveness and BUMDES Financial Performance, the questionnaire as a research instrument was first tested on BUMDES employees who had the same criteria as the research respondents. Validity testing and reliability testing of this research questionnaire were carried out using Product Moment with the provision that if $r_{count} > r_{table}$ then the question items are considered valid and reliable at a significance level of 95% ($\alpha = 0.05$) with n (number of employees) of 20 employees. Or conversely if $r_{count} < r_{table}$ then the question items are considered invalid and unreliable.

2. Test Reliability

Test Reliability is used to test the extent to which a measuring instrument is reliable to be used again for the same research. Reliability testing in this study is by using the alpha formula. The results of the reliability test show that all variables each have a fairly large Alpha coefficient, which is above 0.60, so it can be said that all measuring concepts for each variable from the questionnaire are reliable so that the items in each variable concept are suitable for use as a measuring instrument.

3. Descriptive Analysis

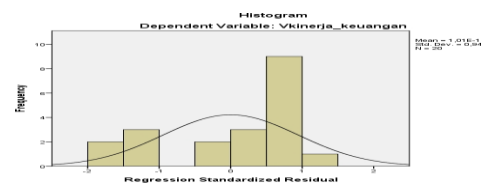
Based on the respondents' last education, it can be explained that the majority of BUMDES employee respondents are high school graduates, namely 12 respondents (60%), 3 respondents have a D3 education (15%), and 5 respondents have a S1 education (25%). Based on the age of the respondents, it can be explained that the majority of BUMDES employee respondents are 50 years old, namely no respondents (0%). Based on the gender of the respondents, it can be explained that the majority of BUMDES employee respondents are male, namely 11 respondents (55%), and 9 respondents are female (45%).

4. Classical Assumption Test

1. Normality Test

The normality test aims to test whether there are any confounding or residual variables in the regression model. own distribution normal (Ghozali, 2005:105). As is known, the F test and T test assume that the residual values follow the residuals following a normal distribution. If this assumption is violated, the statistical test becomes invalid for small sample sizes. Below are the results of the normality test using the histogram approach.

Figure 1

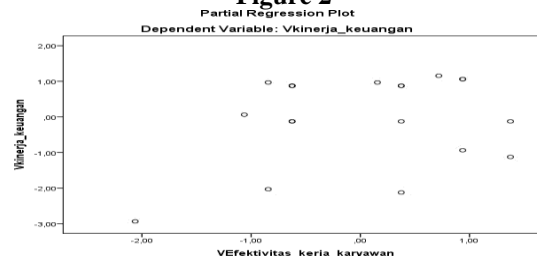


In the histogram graph of figure 1, it can be seen that the variables are normally distributed. This is indicated by the data distribution which is not skewed to the right or to the left.

2. Heteroscedasticity Test

This test is carried out in a regression model whether in a regression model there is inequality of variance from the residual of one observation to another. If the variance of the residual of another observation remains constant, then it is called homoscedasticity. Conversely, if the variance is different, then it is called heteroscedasticity. A good regression model is a regression model that does not experience heteroscedasticity. From the Scatterplot graph presented in the image below, it can be seen that the points are spread randomly and do not form a certain and clear pattern.

Figure 2



5. Hypothesis Testing

1. Coefficient of Determination

Using the SPSS 2.0 program, present the data processing results for the determination coefficient in table 6 below:

Table 1

Hasil Uji Koefisien Determinasi

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				Durbin-Watson
					Square Change	F Change	df 1	df 2	
1	.433a	.8137	.091	1.177	81.37	1.957	2	17	.172
									2.906

a. Predictors: (Constant), V Employee Work Effectiveness, V Capital Structure

b. Dependent Variable: Financial Performance

The R Square value obtained was 81.30, which means that 81.30% of BUMDES financial

performance is influenced by Capital Structure and Employee Work Effectiveness, while the remaining 0.187 or 18.70% is explained by other factors not examined in this study. The large R value obtained indicates the close relationship between the independent and dependent variables studied.

2. Simultaneous Test (F Test)

Simultaneous test or also called simultaneous test or F test aims to test the first hypothesis, namely to find out whether or not the independent variables have a significant effect simultaneously on the dependent variable. Below are the results of the F Test using SPSS.

Table 2
ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	5,417	3	2,709	8,957	,000 ^b
Residual	23,533	17	1,384		
Total	28,950	20			

a. Dependent Variable: Financial Performance

b. Predictors: (Constant), Employee Work Effectiveness, Capital Structure

The F test is conducted by comparing the results of F count with F table. From the table above, the F count value is 8.597, while for F table with a significance level of $\alpha = 0.05$ (5%) the F table value is 3.59 (F Statistic Table). By comparing F count = 8.957 > F table = 3.59 with a significance value of 0.000

3. Partial Test (t-Test)

Partial Test or t Test has a purpose DurbiThe second hypothesis is to determine the influence or not significantly independent variables individually (partially) on the dependent variable. Below are the results of the t-test with SPSS.

Gambar 3

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	t
		B	Std. Error	Beta	
1	(Constant)	,951	1,614		,589
	STRUKTUR MODAL	,336	,269	,274	3,248
	EFEKTIVITAS KERJA KARYAWAN	,468	,288	,357	3,627

a. Dependent Variable: KINERJA KEUANGAN

Based on the table above, the results of the Capital Structure t-test (X1) and Employee Work Effectiveness (X2) can be seen, namely: a. The Capital Structure t-test (X1) is carried out by comparing the calculated t. From the table above, the calculated t value is 3.248, while the t table with a significance level of $\alpha = 0.05$ obtains a t table value of

1.739 (statistic t table). By comparing the calculated t with the t table, it is obtained that the calculated t > t table, namely t calculated = 3.248 > t table 1.739 with a significance value of $0.020 < t \text{ table} = 1.739$ with a significance value of $0.031 < 0.05$. 19 So it can be concluded that the employee work effectiveness variable (X2) has a positive and significant effect on Financial Performance (Y).

4. Conclusion

Based on the results of testing and discussion of the research data that has been collected regarding the analysis of the influence of capital structure and employee work effectiveness on BUMDES financial performance, the following conclusions were obtained:

1. The results of the capital structure instrument trial consisting of 6 questions were declared valid and reliable with the testing criteria if r count > r table from the questionnaire reliability test obtained r = 0.714 > 0.3783.
2. The results of the employee work effectiveness instrument trial consisting of 6 questions were declared valid and reliable with the testing criteria if r count > r table from the questionnaire reliability test obtained r = 0.516 > 0.3783.
3. The results of the BUMDES financial performance instrument trial consisting of 6 questions were declared valid and reliable with the testing criteria if r count > r table from the questionnaire reliability test obtained r = 0.544 > 0.3783.
4. Based on the processing results obtained R Square figure of 81.30 or 81,30%. This result shows that the percentage of contribution of the influence of independent variables, namely capital structure and employee work effectiveness on BUMDES financial performance is 81.30%. Variation of independent variables used in the model and explaining 18.70% of independent variables. While the remaining 0.187 or 18.70% is influenced by other variables not studied in this study.
5. Based on the results of multiple linear regression calculations, the regression coefficient of capital structure (b1) = 0.336, the regression coefficient of employee work effectiveness (b2) = 0.468 and the regression constant a = 0.951 can be obtained. So the form of the equation for multiple linear regression analysis is: $Y = 0.951 + 0.336 X1 + 0.468 X2$. The linear regression coefficient shows the direction of the influence of each independent variable on the dependent variable. If the capital structure and employee

work effectiveness variables are 0, then the financial performance of BUMDES is 0.951 points. If the capital structure increases by one unit and employee work effectiveness is considered constant, then the increase will increase BUMDES' financial performance by 0.468. Thus, it can be concluded that the direction of the influence of capital structure and employee work effectiveness on BUMDES' financial performance is positive.

6. In the calculation of the capital structure t-test (X1) is done by comparing the calculated t with the t table which then obtained t count > t table, namely t count = 3.248 > t table = 1.739 with a significance value of $0.20 < 0.05$. So it can be concluded that the capital structure variable (X1) has a positive and significant effect on the financial performance of BUMDES (Y).
7. In the calculation of the t-test of employee work effectiveness (X2), it is done by comparing the calculated t with the t-table, which then obtains t-count > t-table, namely t-count = 3.627 > t-table = 1.739 with a significance value of $0.031 < 0.05$. So it can be concluded that the variable of work effectiveness Employees (X2) have a positive and significant influence on BUMDES financial performance (Y).
8. In the F test calculation, the Fcount value = 8.957 was obtained, then a comparison was made between Fcount = 8.957 > Ftable = 3.59 with a significance value of 0.000

5. Ucapan Terimakasih

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Undang-Undang No.6 Tahun 2014 Tentang Desa dinyatakan bahwa BUMDES adalah Badan Usaha yang seluruh atau sebagian besar modalnya dimiliki oleh desa