

Sustainability Strategy in Transforming Revolving Fund Management: Case Study of the Ex-National Program for Independent Community Empowerment Rural in Tuban Regency

Strategi Keberlanjutan dalam Transformasi Pengelolaan Dana Bergulir: Studi Kasus Eks Program Nasional Pemberdayaan Masyarakat Mandiri Pedesaan di Kabupaten Tuban

Eko Wardono*¹, Sulikah Asmorowati², Falih Suaedi³,
Erna Setijanigrum⁴

^{1,2,3,4}Faculty of Social Science and Political Science, Universitas Airlangga, Indonesia

*Corresponding author: eko.wardono-2019@fisip.unair.ac.id

Abstract

After the conclusion of the National Program for Community Empowerment in 2015, Tuban Regency took the initiative to establish Regent Regulation Number 27 of 2018 to manage the remaining assets, including revolving funds. This research aims to describe and analyze the sustainability strategies for managing the revolving funds from the National Program for Community Empowerment in Rural Areas (PNPM-MPd) in Tuban Regency. The focus is on the sustainability theory by Aras & Crowther (2008), encompassing societal influence, environmental impact, organizational culture, and finance. This qualitative descriptive study involved 12 informants. Findings indicate that Rengel and Semanding Sub-districts successfully implemented societal influence through strategies like collateral-free capital access, social funds, and the leadership of group leaders. Environmental impact was addressed through financing strategies for farmers and agreements to defer payments during crop failures. Financial aspects were evident in the increased assets of BUMDesma, innovative strategies by BUMDesma administrators, and transparency and accountability in revolving fund management. However, the organizational culture aspect was not optimally implemented due to a lack of coordination and synergy between regional device organizations (OPD) or the district guidance team, and passive and subjective village leadership.

Keywords: continuity; community empowerment; BUMDes Together

Abstrak

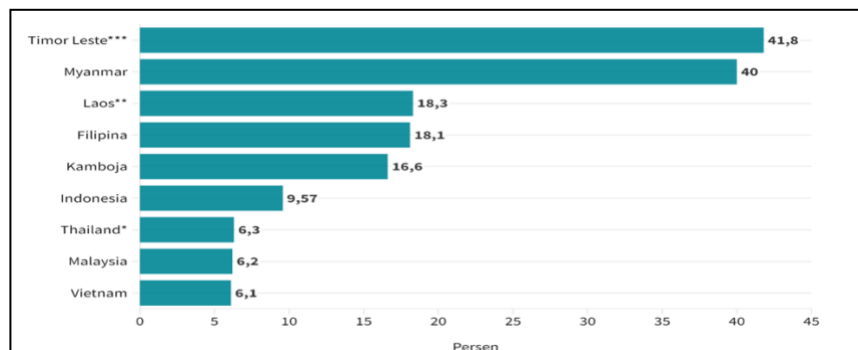
Setelah berakhirnya Program Nasional Pemberdayaan Masyarakat pada tahun 2015, Kabupaten Tuban berinisiatif menetapkan Peraturan Bupati Tuban Nomor 27 Tahun 2018 untuk mengelola aset-aset yang ditinggalkan, termasuk dana bergulir. Penelitian ini bertujuan untuk mendeskripsikan dan menganalisis strategi keberlanjutan pengelolaan dana bergulir eks Program Nasional Pemberdayaan Masyarakat Mandiri-Pedesaan (PNPM-MPd) di Kabupaten Tuban, dengan berfokus pada teori

sustainability oleh Aras & Crowther (2008) yang mencakup aspek societal influence, environmental impact, organisational culture, dan finance. Penelitian ini menggunakan metode deskriptif kualitatif dan melibatkan 12 informan. Temuan menunjukkan bahwa Kecamatan Rengel dan Semanding telah berhasil menerapkan aspek societal influence melalui strategi akses permodalan tanpa agunan, dana sosial, dan ketokohan ketua kelompok. Aspek environmental impact diwujudkan melalui strategi permodalan bagi petani dan kesepakatan penangguhan pembayaran saat gagal panen. Aspek finance ditunjukkan melalui peningkatan aset BUMDesma, strategi inovatif pengurus BUMDesma, serta transparansi dan akuntabilitas dalam pengelolaan dana bergulir. Namun, aspek organisational culture masih belum diterapkan secara optimal, karena tidak adanya koordinasi dan sinergi antar Organisasi Perangkat Daerah (OPD) atau tim pembina kabupaten dan kepemimpinan kepala desa yang pasif dan subjektif.

Kata kunci: keberlanjutan; pemberdayaan masyarakat; BUMDes bersama.

Introduction

Poverty is a fundamental, multidimensional issue that has existed for years worldwide. It is also a priority on the global Sustainable Development Goals agenda, with the first goal being no poverty. According to World Bank data from 2023, approximately 736 million people worldwide live in extreme poverty, representing 9.2% of the global population, with about 90% residing in developing countries, particularly in Sub-Saharan Africa and South Asia. Most of the world's poor are in developing countries, including Indonesia. In 2022, the poverty rate in several ASEAN countries showed that Indonesia had a poverty rate of 9.57%, the sixth highest in Southeast Asia. Thailand, Malaysia, and Vietnam had lower poverty rates at 6.3%, 6.2%, and 6.1%, respectively. Meanwhile, Timor Leste (41.8%), Myanmar (40%), Laos (18.3%), the Philippines (18.1%), and Cambodia (16.6%) had higher poverty rates. This is illustrated in the following graph.



Graph 1 Poverty Level of Countries in ASEAN in 2022

Source: dataindonesia.id (2023)

Poverty in Indonesia is a multidimensional problem requiring integrated, systematic, and comprehensive solutions to alleviate the burden and ensure the fulfillment of basic rights. The government has taken concrete steps by implementing specific policies and regulations, such as Presidential Regulation Number 13 of 2009, to accelerate poverty alleviation. The strategy focuses on three main clusters: social assistance and protection, community empowerment, and support for micro and small enterprises. In this context, the National Program for Community Empowerment (PNPM), as part of the second pillar, is a key element in combating poverty in Indonesia. The National Program for Community Empowerment (PNPM), launched in 2007, is divided into two categories: PNPM Mandiri Urban (PNPM MPerkotaan) and PNPM Mandiri Rural (PNPM MPd). PNPM Mandiri Urban continues the Urban Poverty Reduction Program (P2KP), initiated in 1999, while PNPM Mandiri Rural continues the Subdistrict Development Program (PPK), started in 1998. PNPM has reached all sub-districts in Indonesia, with the number of intervention locations continuously increasing until 2014. The number of PNPM intervention locations in Indonesia can be seen in the following table.

Table 1
Number of National Community Empowerment Program Intervention Locations

No.	PNPM Program	Year						
		2004	2009	2010	2011	2012	2013	2014
1	District Development Program	747	-	-	-	-	-	-
2	Urban Poverty Reduction Program	229	-	-	-	-	-	-
3	PNPM Urban	-	1.134	885	1.153	1.157	1.183	1.187
4	PNPM Rural	-	4.350	4.807	5.018	5.092	5.148	5.298
5	PNPM Disadvantaged and Special Regions	-	186	186	0	0	0	0
6	PNPM Rural Infrastructure	-	479	213	213	182	184	0
7	PNPM Regional Socioeconomic Infrastructure	-	237	237	237	237	237	237
Total			6.386	6.328	6.621	6.668	6.752	6.722

Source: Ministry of National Development Planning/Bappenas (2015)

PNPM Mandiri Perdesaan (PNPM MPd) consistently received a larger budget allocation compared to PNPM Mandiri Perkotaan (PNPM MPerkotaan). According to the Ministry of Finance Regulation No. 5/PMK.07/2012, PNPM MPd was allocated 70% of the total PNPM Mandiri budget, while PNPM MPerkotaan received only 30%. This allocation is evident in the 2013 PNPM Mandiri Annual Report, where PNPM MPd received a budget of Rp6.5 trillion, compared to PNPM MPerkotaan's Rp2.5 trillion. The National Program for Community Empowerment (PNPM) officially ended in 2015 during President Joko Widodo's administration. This termination was due to policy changes related to community empowerment through the implementation of Law No. 6 of 2014 on Villages. The termination of PNPM Mandiri Perdesaan (PNPM MPd) was announced through a termination letter issued by the Ministry of Villages, Disadvantaged Regions, and Transmigration on July 13, 2015. This letter was addressed to all governors and regents/mayors in PNPM-MPd locations.

Although PNPM Mandiri Perdesaan ended in 2015, it left valuable assets for the community, including infrastructure such as roads, bridges, polindes buildings, early childhood education centers (PAUD/TK), village markets, revolving loan funds, and institutional structures. Besides physical assets, PNPM Mandiri Perdesaan also left a significant legacy in the form of social institutions, such as the Inter-Village Cooperation Agency (BKAD), the Supervisory Board of Activity Management Units (BP-UPK), women's savings and loan groups (SPP), and productive economic enterprise groups (UEP). These institutions play a crucial role in sustaining the program and empowering the community. The substantial assets of PNPM Mandiri Perdesaan must be maximized and managed effectively to provide optimal benefits to the community, including improving the community's economic quality. Asset maintenance and government intervention through policies are essential to prevent the assets from becoming neglected.

Following the end of PNPM Mandiri Perdesaan, the Tuban Regency Government pioneered policies related to the preservation and sustainability of the program's outcomes. This policy was realized through Tuban Regent Regulation No. 27 of 2018 on the Management and Preservation of Community Empowerment Program Outcomes. The regulation focuses on managing the results of the Community

Empowerment Program, specifically the management of PNPM Mandiri Perdesaan revolving loan funds. The Tuban Regency Government also pioneered the establishment of inter-village business entities (BUMDesma) through Tuban Regent Regulation No. 27 of 2018, three years before national regulations were issued. The central government issued regulations related to BUMDesa Bersama in 2021 through Minister of Villages, Disadvantaged Regions, and Transmigration Regulation No. 15 of 2021 on Procedures for Forming Community Revolving Loan Fund Management into Joint Village-Owned Enterprises.

BUMDes Bersama (BUMDesma) is a collaboration between village-owned enterprises (BUMDes) in several villages to increase business scale and efficiency. This collaboration allows BUMDes from each village to manage resources, share business risks, and enhance competitiveness in a broader market. This innovative policy led the Tuban Regent to receive the Desa Economic Development Badge Award in 2022. The award was given for Tuban Regency's success in transforming 100% of revolving loan funds into BUMDesma, a remarkable achievement that increased the economic potential of villages. In 2018, the total PNPM-MPd revolving loan funds in Tuban Regency reached Rp78,137,039,762. These funds came from the SPP and UEP programs and were allocated to 19 sub-districts in Tuban Regency. Each sub-district had different initial revolving loan fund capital and productive assets. BUMDesma in Rengel Sub-district demonstrated outstanding performance by increasing the highest productive assets in Tuban Regency by 328.27% and managing revolving loan funds worth Rp4,658,774,100 prudently. Meanwhile, Semanding Sub-district had the lowest non-performing loan percentage in Tuban Regency, only 2.92%, amid the trend of increasing non-performing loans in 2020. Rengel and Semanding Sub-districts exemplify successful revolving loan fund management in Tuban Regency.

The successful management of revolving loan funds in these two sub-districts illustrates one aspect of the sustainability theory by Aras & Crowther (2008), namely the financial aspect. Therefore, this study aims to describe and analyze the sustainability strategies of managing ex-National Program for Community Empowerment Mandiri-Rural (PNPM-MPd) revolving loan funds in Tuban Regency. This study refers to the sustainability theory by Aras & Crowther (2008), which has four aspects: societal

influence, environmental impact, organizational culture, and finance. This research is essential because there have been no previous studies analyzing the relationship between policy implementation and sustainability theory.

Research Methods

This study employs a qualitative method to describe and analyze the sustainability strategies for the management of revolving funds from the former National Program for Community Empowerment in Rural Areas (PNPM-MPd) in Tuban Regency. Qualitative research involves questioning and procedures, data collection and analysis built inductively from specific to general, and interpreting the meaning of the collected data (Neuman, 2014). This research was conducted in Tuban Regency, East Java, specifically in BUMDesa Bersama Eka Sejahtera in Rengel District and BUMDesa Bersama Mira Lestari Jaya in Semanding District. The reason for selecting Tuban Regency as the research location is that the Tuban Regency Government is the only region that initiated policies related to the preservation and sustainability of revolving funds management from the former PNPM-MPd, as stipulated in Tuban Regent Regulation No. 27 of 2018 on the Management and Preservation of Community Empowerment Program Results.

In this study, 12 informants were selected using purposive and snowball sampling techniques. Purposive sampling is the deliberate selection of informants based on predetermined criteria relevant to the research topic. Snowball sampling involves the initial informants recommending other suitable informants for the research (Neuman, 2014). The data collection techniques used in this study were observation, interviews, and documentation (Creswell & Creswell, 2018). Data analysis was conducted during and after data collection. The data analysis method used in this study follows the method developed by Miles et al. (2014), which consists of three steps: data reduction, data display, and conclusion drawing and verification. This study employed data triangulation to ensure data validity (Neuman, 2014), comparing various sources, methods, and theories.

Results And Discussion

Societal Influence

This aspect focuses on how the sustainability strategies in Tuban Regent Regulation No. 27 of 2018 on the Management and Preservation of Community Empowerment Program Results (revolving funds from the former PNPM-MPd) in Tuban Regency influence community life. The study found that the program has two main strategies: providing affordable capital access and social funding. Affordable capital access is implemented through unsecured loan schemes and joint responsibility systems in Women's Savings and Loans (SPP) and Creative Economic Enterprises (UEP). Social funding aims to assist the community in various aspects of life, including education and infrastructure.

These strategies positively impact the community by supporting the local economy and preventing debt from loan sharks or daily banks. This aligns with the goal of community empowerment to develop the local Indonesian economy (Sarjiyanto et al., 2022). The community finds it easier to obtain business capital loans. The revolving fund loan scheme and the joint responsibility system have proven effective in increasing the number of SPP and UEP groups in BUMDesma in Rengel and Semanding Districts. This shows that more community members are utilizing this scheme to develop their businesses. The growth in the number of BUMDesma groups can be seen in the following table.

Table 2

Development of the BUMDesma Group

No.	BUMDes Bersama	Initial Group Size	2019	2020
1	BUMDesa Bersama Eka Sejahtera, Rengel District	79	119	120
2	BUMDesa Bersama Mira Lestari Jaya Semanding District	38	88	89

Source: Data processed by researchers from the DPA of the Tuban Regency PMD and Family Planning Service (2021)

Apart from the capital access scheme, the Tuban Regency Government's efforts to empower the community are also realized through the BUMDes Festival program.

This program, facilitated by the Tuban Regency's Social Affairs, Women's Empowerment and Child Protection, and Community Empowerment Office, aims to stimulate the regional economy and explore each village's potential to showcase their superior products. During the BUMDes Festival, various booths from BUMDesa Bersama in all sub-districts in Tuban Regency display their superior products, such as food and beverages, fashion products, ornamental plants, agricultural products, and handicrafts. The BUMDes Festival is expected to encourage new economic potentials in villages and increase the competitiveness of local MSME products.

Furthermore, the societal influence aspect in this study is also shown through social funding, as stated in Article 2 Paragraph (2) of Tuban Regent Regulation No. 27 of 2018 on the Management and Preservation of Community Empowerment Program Results. The regulation explains that a portion of the business results from revolving fund units must be allocated for social funds. Social funds are specifically allocated to improve community welfare in rural areas. Efforts to achieve community welfare include public infrastructure development, livestock procurement, household needs assistance, and aid for orphans.

This study also found that group leaders play a significant role in managing revolving funds from the former PNPM-MPd in Tuban Regency. For instance, the leader of the Productive Economic Enterprise (UEP) Ketapang in Rengel District took the initiative to establish a special fund for community social needs. Similarly, the leader of the Women's Savings and Loans (SPP) Campedan in Rengel District implemented two strategies to enhance the management of revolving funds from the former PNPM-MPd: maintaining orderly and transparent administration to build trust among members and allocating special funds for regular pilgrimage activities to strengthen social bonds and solidarity among members. The study shows that the sustainability strategies in Tuban Regent Regulation No. 27 of 2018 on the Management and Preservation of Community Empowerment Program Results (revolving funds from the former PNPM-MPd) in Tuban Regency have a positive impact on the community.

Environmental Impact

The environmental impact aspect focuses on how sustainability strategies in the Regent's Regulation No. 27 of 2018 regarding the Management and Preservation of Community Empowerment Program Results (revolving fund ex-PNPM-MPd) in Tuban Regency affect the environment. This study found that the sustainability strategy influencing the environment includes capital provision by BUMDesa Bersama aimed at farmers and the agreement on payment deferral in case of crop failure. This strategy helps farmers to implement sustainable agricultural practices, such as the use of organic fertilizers and natural pesticides. It aids farmers in surviving and continuing their farming practices even during crop failures, indirectly showing that this sustainability strategy benefits several sectors, including agriculture (Naway & Saliko, 2020).

One research informant explained that farmers greatly benefit from the agreement by BUMDesa Bersama Eka Sejahtera in Rengel Subdistrict, which provides loan payment deferrals for agricultural groups experiencing crop failures. This deferral agreement helps farmers build economic resilience and increase productivity. Some benefits received by farmers include reducing bankruptcy risks due to factors beyond their control, such as extreme weather or pest attacks. Additionally, providing loan funds to farmers can serve as capital to enhance agricultural efficiency and productivity, helping farmers in rural areas overcome financial constraints in modernizing farming methods and maintaining agricultural operations.

The agricultural sector is one of the largest contributors to the Gross Regional Domestic Product (GRDP) of Tuban Regency, accounting for 21.2%, the second largest after the processing industry. Therefore, the development of the agricultural sector in Tuban Regency is crucial. Thus, capital for farmers in Tuban Regency is vital to maintain their livelihood, improve their economic and social status, and prevent them from migrating to other professions. This study shows that the sustainability strategy in the Regent's Regulation No. 27 of 2018 regarding the Management and Preservation of Community Empowerment Program Results (revolving fund ex-PNPM-MPd) in Tuban Regency has a positive environmental impact.

Organisational Culture

The organisational culture aspect of the research focuses on how internal organizational culture and stakeholder roles realize the sustainability strategy of managing and preserving revolving funds ex-Program Nasional Pemberdayaan Masyarakat Mandiri-Perdesaan (PNPM-MPd) in Tuban Regency. The study found good coordination among stakeholders at the subdistrict level through regular meetings, Inter-Village Meetings (MAD), and Coordination Meetings (Rakor). However, stakeholder coordination at the regency level is not optimal due to a lack of coordination and synergy among regional apparatus organizations (OPD) or the regency supervisory team. Good coordination at the subdistrict level is shown through regular meetings among stakeholders, with BUMDesa Bersama in Rengel and Semanding subdistricts holding monthly coordination meetings. These meetings discuss fund development and problem reporting, showing BUMDesa Bersama's commitment to transparently and accountably managing revolving funds ex-PNPM-MPd.

Coordination among stakeholders at the subdistrict level is also carried out through annual Inter-Village Meetings (MAD) organized by BUMDesa Bersama administrators and participating groups. Coordination and synchronization among stakeholders at each level of government are essential for formulating effective and efficient policies, implementing policies accurately, and controlling policy implementation to achieve their goals (Suratman et al., 2018). The goal of regular coordination at the subdistrict level is to ensure that all parties involved in fund management have the same information and can work well together. Meanwhile, coordination at the regency level still needs optimization. Currently, the main role in implementing BUMDesa Bersama is held by the Department of Social Affairs, Women's Empowerment and Child Protection, and Community and Village Empowerment (DP3APMD), focusing on assistance and communication, such as in MAD activities.

Several research informants stated that the Department of Social Affairs P3APMD is the most actively involved stakeholder in providing support and assistance. However, participation and contributions from other OPDs in realizing the sustainability strategy of managing and preserving revolving funds ex-PNPM-MPd in

Tuban Regency are still not optimal. The research findings show that the Regency Inspectorate has not maximally performed routine audits, and the Department of Cooperatives, SMEs, and Trade (Diskopumdag) has not provided guidance and direction to the real sector, resulting in suboptimal efforts to empower the rural economy. The suboptimal role of each stakeholder is due to the lack of coordination meetings. Coordination meetings are crucial mechanisms to ensure active involvement of all OPDs and to ensure that each OPD contributes according to their roles and responsibilities. The lack of coordination meetings at the regency level also indicates a communication and coordination gap among OPDs, potentially hindering the effectiveness of the sustainability management of revolving funds ex-PNPM-MPd.

Another finding relates to the role of village heads in supporting the sustainability of managing revolving funds ex-PNPM-MPd. Some village heads actively support the program's success, while others are passive and subjective, hindering the sustainability of managing revolving funds ex-PNPM-MPd in their respective subdistricts or BUMDesa Bersama. Active village heads demonstrate strong support and commitment to maintaining village assets, while passive and subjective village heads tend to prioritize their electability. Village heads should play a crucial role in providing objective recommendations to BUMDesa to minimize bad credit, but this study found village heads acting subjectively to maintain their electability.

Furthermore, this research found internal issues within the administrators and members of both BUMDesa and the groups. These issues are evidenced by fund misappropriation by group leaders and BUMDesa administrators, creating disappointment among members and affecting public trust. Fund misappropriation is also one of the factors contributing to low fund repayment rates (Rahayu & Adi, 2018). The research findings align with data on problematic group loans in BUMDesa Bersama Eka Sejahtera in Rengel Subdistrict from 2019 to 2021, as shown in the following table.

Table 3

Data on the Development of Problem Group Loans BUMDesa Bersama Rengel District (2019-2021)

No	Cause of Problem	Year		
		2019	2020	2021
1	Institutional	62	71	69
2	Misappropriation	5	5	5

Source: BUMDesa Together with Eka Sejahtera, Rengel District

Based on Table 3, two main issues in group loans at BUMDesma Eka Sejahtera have been identified: institutional factors and misappropriation. The number of misappropriation cases remained stagnant from 2019 to 2021. However, this stagnation cannot be seen as positive, as ideally, there should be no cases of misappropriation in BUMDesma operations. Meanwhile, the number of cases related to institutional factors increased from 62 in 2019 to 71 in 2020, then decreased to 69 in 2021, but still above the 2019 count. This indicates that institutional issues are not yet fully resolved. This research shows that the internal organizational culture and stakeholder roles are still suboptimal in implementing sustainability strategies as per the Regent Regulation No. 27 of 2018 on the Management and Preservation of Community Empowerment Program (revolving fund ex-PNPM-PMd) in Tuban Regency.

Finance

In terms of finance, this study examines the sustainability strategies of the Regent Regulation No. 27 of 2018 on the Management and Preservation of Community Empowerment Program (revolving fund ex-PNPM-PMd) in Tuban Regency, focusing on its impact on sustainable economy. The findings show an increase in assets, innovative strategies, and transparency and accountability in managing revolving funds. The study found an increase in assets owned by BUMDesa Bersama Eka Sejahtera, Rengel District, and BUMDesa Bersama Mira Lestari Jaya, Semanding District. For instance, BUMDesa Bersama Mira Lestari Jaya, Semanding District, now has its own building or office, while one of the asset improvements of BUMDesma Eka Sejahtera, Rengel District, can be seen in the following table.

Table 4

Data on the Development of BUMDesa Revolving Funds with Rengel District

No	Description	Year		
		2019	2020	2021
1	UEP and SPP Initial Capital	Rp1.419.174.000	Rp1.419.174.000	Rp1.419.174.000
2	Productive Assets (Net Assets)	Rp4.691.417.821	Rp4.886.493.147	Rp5.059.535.167
3	Fund Development	Rp3.272.243.821	Rp3.467.319.147	Rp3.640.361.167
4	Fund Development Percentage	231%	244%	257%

Source: BUMDesa Together with Eka Sejahtera, Rengel District

In addition, several innovative initiatives have been undertaken by BUMDema administrators to prevent and address non-performing loans. These initiatives include: 1) direct visits to members of the Productive Economic Business (UEP) groups, Women's Savings and Loans (SPP) groups, and even village heads, 2) providing suggestions and solutions to resolve arrears, 3) coordinating with village heads to address issues, and 4) using persuasive and personal approaches in every group meeting. These efforts demonstrate a collective commitment to ensure smooth financial management and strengthen collective responsibility. Interview results also indicate that village heads and group leaders use a familial and effective communication approach. The familial approach aims to touch the hearts of the community to encourage loan repayment. This approach involves explaining the importance of repaying loans and emphasizing shared moral responsibility.

Effective communication includes providing information or insights about fund allocation, regularly announcing payment due dates, and adjusting payments to seasonal conditions. These strategies help members understand their responsibilities as borrowers and increase awareness and compliance in loan repayments. Interviews also reveal that groups in Tuban Regency use flexible and adaptive internal financial systems to assist with loan repayments and handle arrears. There is also a group fund program initiated by group leaders. This fund can be used to cover delayed payments by members facing financial difficulties, thus preventing and managing non-performing loans. Through this approach, the group can provide solutions without burdening defaulting

members, while still fulfilling their obligations to the UPK (Activity Management Unit), creating a supportive familial environment, and ensuring the financial sustainability of the group.

The financial aspect of this research is further evidenced by BUMDesma administrators implementing principles of transparency and accountability in managing revolving funds. Generally, a significant cause of non-performing loans is the lack of transparency in fund management by administrators (Sara, 2022). In this study, BUMDesma administrators prevent and address non-performing loans by regularly presenting accountability reports (LPJ) at Inter-Village Deliberations (MAD). This aims to show the community the financial condition of BUMDesa Bersama. The transparency and accountability of the administrators prove to the community the stable financial condition of BUMDesma, thereby increasing public trust in BUMDesma. The results of this study indicate that the sustainability strategies in the Regent Regulation No. 27 of 2018 on the Management and Preservation of Community Empowerment Program (revolving fund ex-PNPM-PMd) in Tuban Regency have successfully maintained and developed the finances of BUMDesma.

Conclusion

This study shows that the sustainability strategies for managing revolving funds from the National Program for Community Empowerment in Rural Areas (PNPM-MPd) in Tuban Regency have implemented three sustainability strategy aspects: societal influence, environmental impact, and finance. However, the organizational culture aspect has not been optimally implemented. The societal influence aspect is realized through strategies such as providing affordable capital access without collateral and a joint responsibility system, social fund provision, and leveraging group leader prominence. These strategies have positively impacted community life. The environmental impact aspect is realized through capital strategies for farmers and agreements to defer loan repayments in case of crop failures. This significantly supports sustainable agricultural practices and indirectly conserves the environment.

The finance aspect is realized through increased BUMDesma assets, innovative strategies by BUMDesma administrators to address non-performing loans, and transparency and accountability in managing revolving funds through regular reports (LPJ). However, the organizational culture aspect has not been optimally implemented due to a lack of coordination and synergy between Regional Device Organizations (OPD) or the district coaching team, insufficient participation from some OPDs such as the Inspectorate which has not conducted routine audits, and Diskopumdag which has not provided direct assistance to the real sector. Additionally, there are factors such as passive and subjective village head leadership and fund misappropriation by group administrators and BUMDesma.

References

- Aras, G., & Crowther, D. (2008). Governance and Sustainability: An Investigation into the Relationship between Corporate Governance and Corporate Sustainability. *Management Decision*, 46(3), 433–448. <https://doi.org/10.1108/00251740810863870>
- Creswell, J. W., & Creswell, J. D. (2018). *Research Design Qualitative, Quantitative, and Mixed Methods Approaches (Fifth Edition)*. SAGE Publications, Inc.
- dataindonesia.id. (2023, September 5). *Data Tingkat Kemiskinan di Asean 2022, Indonesia Urutan Berapa?* <https://dataindonesia.id/varia/detail/data-tingkat-kemiskinan-di-asean-2022-indonesia-urutan-berapa>
- Kementerian PPN/Bappenas. (2015). *Evaluasi Rencana Pembangunan Jangka Menengah Nasional (RPJMN) 2010-2014*.
- Miles, M. B., Huberman, A. M., & Saldana, J. (2014). *Qualitative Data Analysis: A Methods Sourcebook (4th ed.)*. Sage Publications.
- Naway, F. A., & Saliko, E. D. (2020). Evaluation of National Community Empowerment Program Implementation in Rumbia Village, Boalemo Regency. *IOP Conference Series: Earth and Environmental Science*, 536(1), 1–5. <https://doi.org/10.1088/1755-1315/536/1/012001>
- Neuman, W. L. (2014). *Social Research Methods: Qualitative and Quantitative Approaches (Seventh Edition)*. Pearson Education Limited.
- Peraturan Bupati Tuban Nomor 27 Tahun 2018 tentang Pengelolaan dan Pelestarian Hasil Program Pemberdayaan Masyarakat. (2018).
- Rahayu, E., & Adi, I. R. (2018). *Poverty Reduction through Community Economic Empowerment Program in Jakarta: A Study of Factors Influencing the*

- Repayment of Revolving Fund. *KnE Social Sciences*, 3(10), 194–214. <https://doi.org/10.18502/kss.v3i10.2912>
- Sara, I. M. (2022). Sinergitas Konsep Pang Pada Payu dan Good Governance dalam Mengatasi Sengketa Kredit macet pada Lembaga Pengkreditan Desa. *Fair Value: Jurnal Ilmiah Akuntansi dan Keuangan*, 4(8), 3755–3764.
- Sarjiyanto, Sarwoto, & Darma, T. S. (2022). The Sustainability of Community Empowerment as Development Strategies: The Experience of Indonesia. *International Journal of Multicultural and Multireligious Understanding*, 9(3), 207–218. <https://doi.org/10.18415/ijmmu.v9i3.3604>
- Suratman, S., Ibrahim, Muh. A., & Ely, A. F. (2018). Synthesis Model on the Implementation of Public Policy in National Community Empowerment Program in Makassar and Parepare, South Sulawesi. *American International Journal of Social Science*, 7(3), 40–45. <https://doi.org/10.30845/aijss.v7n3p5>