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## **The Effect Of Recruitment And Selection On The Competence And Performance Of Managers Of Village Business Entity (BUMDes) In Kampar Regency Riau Province**

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**Abstract:** *This study aims to determine the effect of recruitment and selection on the competence and performance of Village-Owned Enterprises (BUMDes) manager in Kampar Regency, Riau Province. In this study, there are four variables, namely Recruitment ( $X_1$ ), Selection ( $X_2$ ), Competence ( $Y_1$ ) and Performance ( $Y_2$ ). The population in this study is the BUMDes manager in Kampar Regency. The method of determining the number of samples was obtained through purposive sampling technique (30 BUMDes Managers from 229 BUMDes in Kampar Regency based on criteria). The data collection was gained through interviewing, observing and distributing questionnaires to respondents. While, in terms of data analysis this study used was two-stage regression analysis namely simple and multiple regression, the quality test of research instruments, test classic assumptions and hypotheses that were processed using the SPSS program (Statistical Program Society Science) version 21. The result shows that: 1) recruitment has a positive and significant effect on the competencies of BUMDes manager, 2) selection has a positive and significant effect on the competencies of BUMDes manager, 3) recruitment and selection has a positive and simultant effect the competence of BUMDes manager, 4) competence has a positive and significant effect on the performance of BUMDes manager.*

**Keywords:** *Recruitment, Selection, Competence, Performance.*

### **Research Background**

The village is a legal community unit that has an area boundary that is authorized to manage and manage government affairs and the interests of the local community based on community initiatives, original rights and / or traditional rights that are recognized and respected in the system of government of the Unitary Republic of Indonesia (Article 1 paragraph 1 of the Act Law Number 6 of 2014 concerning Villages). In order to accommodate the potential of villages and fulfill the needs of villagers, through UU no. 32 of 2004 concerning Regional Government, the government provides great support so that the village has a business entities that is able to develop and suport the local economy and build community cohesion. One way to achieve economic growth in the rural areas is through the growth of micro village institutions, namely Village-Owned Enterprises (BUMDes).

According to the Minister of Village Regulation No. 4 of 2015 concerning the Establishment, Management, and Dissolution of Village-Owned Enterprises, Village-Owned Enterprises (BUMDes) are business entities which all or most of the capital is owned by

villages through direct participation from village assets that are separated to manage assets, services services, and other attempts for the maximum welfare of the village community.

One of the area runs BUMDes in Riau Province is Kampar Regency. Almost all districts in Kampar Regency carry out this BUMDes program. Through a large amount of village funds disbursed by the government, Village-Owned Enterprises (BUMDes) are one of the economic engines that must be optimized. BUMDes human resources is a manager consisting of a chairman, secretary and treasurer as activator in controlling operations. The progress of the BUMDes business can be seen from the performance of managers in carrying out their duties and functions. This means that if the BUMDes manager has high performance, the BUMDes goal will be maximally achieved.

Based on data obtained from the Office of Community Empowerment and Villages of Kampar Regency in 2018, there were 242 villages in Kampar Regency with 229 BUMDes formed from 2014 to 2018. The object of this study is 30 BUMDes on the basis of the criteria that BUMDes has been established for three years or more, are still active, have business units and management structures. The performance evaluation of 30 (thirty) BUMDes managers have been carried out by a team of management performance classification assessments in which there were still many BUMDes in Kampar Regency that were in the range of basic or growing assessments. BUMDes that get the basic classification is 14 (fourteen) BUMDes, BUMDes with growth classification is 12 (twelve) BUMDes, BUMDes with developing classification is 3 (three) BUMDes, and only 1 (one) BUMDes advanced. It identifies that the performance of BUMDes managers still needed to be improved.

The low performance of BUMDes manager in Kampar Regency is caused by the following problems: 1) The lack of management participation in contributing to develop businesses carried out by BUMDes partner groups. 2) The manager still lacks understanding of the responsibilities given to him which is marked by the absence of business development reporting both in terms of financial reports and other reports to the community and service that oversees the BUMDes. 3) The lack of transparency in the management of the village community regarding BUMDes funds and business profits.

To improve performance and make BUMDes managers have a competitive advantage, the manager must have relevant competencies. A competent manager can be obtained through an appropriate recruitment and selection process.

Based on the result of interview with the Office of Community and Village Empowerment and conducting the observation to several BUMDes about the low competence of manager from several factors. It indicated that village funds was not managed by competent human resources, the priority in managing village funds will not be in accordance with the goals and objectives of developing BUMDes business units. Then, the lack of participation of manager in monitoring the development of BUMDes businesses and the lack of ability to provide solutions to any problems encountered. BUMDes managers still had lack of knowledge about entrepreneurship well so that it will have an impact on the profits obtained by BUMDes businesses. Manager must have an entrepreneurial spirit and good skills in developing business.

The phenomenon that occurs is the politics of nepotism in the recruitment process of BUMDes manager, in which the managers come from certain circles chosen by the village government. The information should be given about the open recruitment of BUMDes manager candidate to the public. The requirements to become a BUMDes manager are stipulated in Permendes Number 4 of 2015 concerning the requirements to become a BUMDes operational implementer, first, when selecting manager, it should be based on criteria that managers have entrepreneurial spirit or *entrepreneurship* so that when conducting a business, the manager is not difficult to choose what business units will be developed.

Second, choosing honest, good and capable manager, in order to there is no mistake or problems such as the use of village funds that must be optimized. Selecting manager who is educated and experienced. However, the problems that occur in the recruitment and selection process of BUMDes manager in Kampar Regency are not entirely based on the provision in Permendes No. 4 of 2015. Hence, the selected managers have difficulty in carrying out their duties and functions in BUMDes.

### Research Question

Based on the background of the research above, the research questions are formulated as follows: Does recruitment effect on the competence of BUMDes manager? Does selection effect on the competence of BUMDes manager? Does recruitment and selection effect on the competence of BUMDes manager? Does competence effect on the performance of BUMDes manager?

In line with the problems of the research, the research objectives are as follows: To find out how much the effect of recruitment on the competence of BUMDes manager. To find out how much the effect of selection on the competence of BUMDes manager. To find out how much the effect of recruitment and selection on the competence of BUMDes manager. To find out how much the effect of competence on the performance of BUMDes manager.

Sedarmayanti (2015), asserts that *performance* is the result of work achieved by a person or group of people in an organization, according to their respective authorities and responsibilities, in order to achieve the objectives of the organization concerned legally, it is not violating the law and in accordance with morale and ethics.

Indicator to measure manager's performance is measured based on the BUMDes Establishment and Management Guide (PPP) 2007 , namely: The level of cooperative management and the community in the empowerment program. Participation or involvement of the community and manager in jointly developing welfare for BUMDes. Transparency, openness to manage BUMDes. Accountability and BUMDes Sustainability.

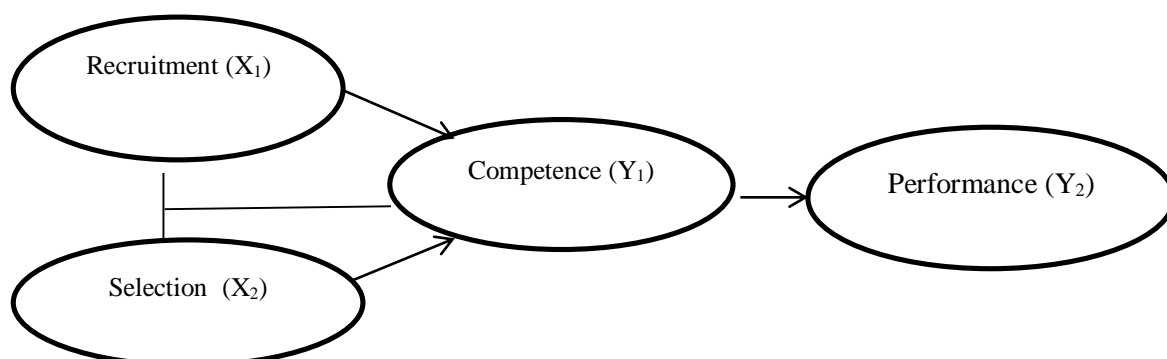
Wibowo (2016) states that the competence is an ability to carry out a work or task that is based on skill and knowledge and are supported by the work attitude demanded by the job. Competencies can be accessed based on (Hutapea and Thoha, 2008) Knowledge, Information owned by an employee to carry out tasks and responsibilities in accordance with its particular field. Skill, An attempt to carry out the tasks and responsibilities is given by the company to an employee properly and maximally Attitude, The pattern of employee behavior in carrying out their duties and responsibilities in accordance with company regulation.

Sutrisno (2017) states that recruitment is a process of finding, holding, finding, and attracting applicants to be employed in an organization. According to Hasibuan (2011), it can be measured in terms of: Basic of Recruitment, It must be accordance with job specifications that have been determined to occupy the position. Recruitment Sources, Internal sources Transferring employees who meet the standards of the vacant position. External sources, Employees who fill vacant positions are recruited from sources of labor outside the company. Recruitment Method, Closed Method, The recruitment is merely informed to the certain employees or individuals. Open method, The recruitment is widely informed by advertising and spreading it to the public.

Rivai (2014) states that selection is an activity in HR management that is carried out after the recruitment process (POREK) is completed. It means that a number of applicants who have fulfilled the requirements have been collected and then it is selected which can be designated as employees in a company. In this regard, the selection process is called selection. Selection can be measured based on criteria (Hasibuan, 2011), An honest

employee (manager), Employees (managers) who are disciplined, Skilled employees (manager), Employees (manager) who can work together, Creative, Innovative.

### Research Model



Sources: Sudiro (2011), Pambagio (2009), Rachmawati (2008) and Wibowo (2016)

Figure 1: Research Model

### Research Hypothesis

- H<sub>1</sub>: Recruitment significantly effects on the competence of BUMDes manager
- H<sub>2</sub>: Selection significantly effects on the competence of BUMDes manager
- H<sub>3</sub>: Simultaneous recruitment and selection effect on the competence of BUMDes manager
- H<sub>4</sub>: Competence has a significant effect on the performance of BUMDes manager

### Research Method

This research was conducted at 30 (thirty) BUMDes in Kampar Regency, Riau Province. The Type and Source of Data Sekaran (2018) points out that there are two types of data used, namely primary data and secondary data. In this study, The primary data covered information from surveys, questionnaires, interviews, focus groups and observations. While, the secondary data contained information such as notes or documentation, government publications and others about BUMDes.

The population in this study were all BUMDes managers in Kampar District. BUMDes provisions that used as research objects were : had been established for at least 3 years, had a variety of businesses and had a clear management structure. Based on these criteria, 30 BUMDes were selected and 1 BUMD manager was taken from each BUMD as sample. Data collection techniques used in this study were: Interview, Observation, Questionnaire. To determine the Effect of Recruitment and Selection on Competence and Performance of BUMD Manager in Kampar Regency, Riau Province, using multiple regression analysis with the software SPSS version 21.

### Finding And Discussion

Descriptive analysis showed that the respondent of BUMDes in this study were the majority of male sex as many as 73.33% (22 people), generally employees of productive age was (< 30-59 years) and the majority (50% or 15 people) had the level of higher education namely Strata 1 or bachelor degree. The majority of respondents (33.33% or 10 people) had 1-2 years of service.

A good regression model is to have a normal residual data or close to normal. In order to know the normality of data, is conducted *Kolmogorov Smirnov* test, by comparing between the significance level that obtained with the alpha level used ( $\text{sig} > \alpha$  (5%)).

**Table 1. Normality Test Result *Kolmogorov Smirnov***  
**Step 1**

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		30
Normal Parameters <sup>a,b</sup>	Mean	.0000000
	Std. Deviation	1.13110345
Most Extreme Differences	Absolute	.176
	Positive	.176
	Negative	-.147
Kolmogorov-Smirnov Z		.963
Asymp. Sig. (2-tailed)		.312
a. Test distribution is Normal.		
b. Calculated from data.		

**Step 2**

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		30
Normal Parameters <sup>a,b</sup>	Mean	.0000000
	Std. Deviation	2.02422604
Most Extreme Differences	Absolute	.185
	Positive	.185
	Negative	-.182
Kolmogorov-Smirnov Z		1.013
Asymp. Sig. (2-tailed)		.256
a. Test distribution is Normal.		
b. Calculated from data.		

Source: *Finding 2020*

The significance value in both regressions is greater than 0.05 (5%) then it can be interpreted as regression models meet the normality assumptions.

A good regression Model is without multicollinearity. Multicollinearity can be seen based on the rules of *Variance Inflation Factor* (VIF) and *tolerance*. If the VIF is less than 10 or tolerance more than 0.10 then there is no symptoms of multicollinearity and vice versa.

**Table 2. Multicollinearity Test Result.**  
**Step 1**

Coefficients <sup>a</sup>		
Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
1 Recruitment	.621	1.611
Selection	.621	1.611

a. Dependent Variable: Competence

**Step 2**

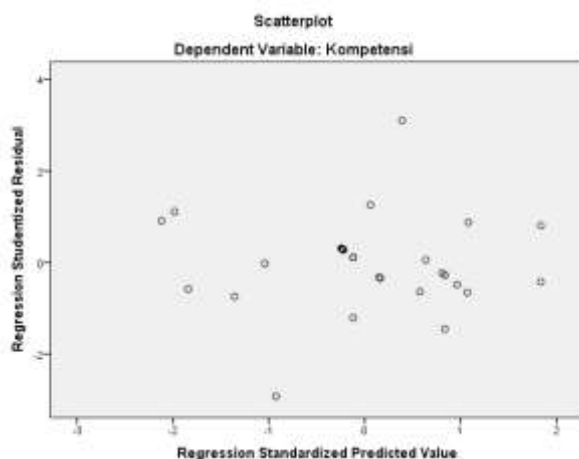
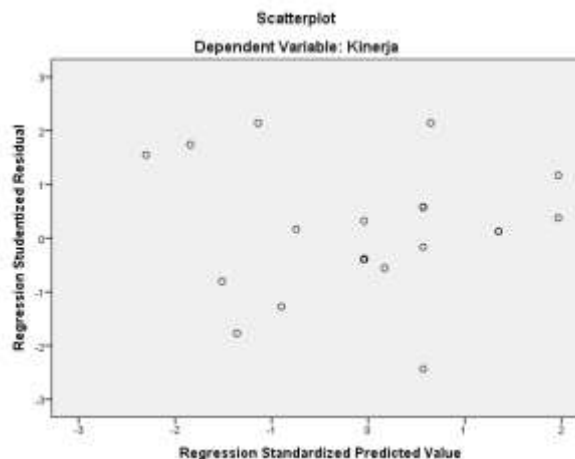
		<b>Coefficients<sup>a</sup></b>	
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	compensation	1.000	1.000

a. Dependent Variable: Competence

Source: *Finding 2020*

According to the table 2, known *Variance Inflation Factor* (VIF) value of the entire variable  $< 10$  and tolerance  $> 0.10$ . Then it can be concluded there is no symptom of multicollinearity in regression mode.

A good regression model does not have heterocedasticity. One way to know it by looking at the scatterplot image. If the dots do not form a specific pattern and spread randomly above and below 0 on the Y axis, it does not occur heterocedasticity. Heterocedasticity test results as follows:

**Step 1****Step 2**

Source: *Finding 2020*

**Figure 2. Heterocedasticity Test Result**

Thus it can be interpreted that the regression model in the study is free from the symptoms of heterocedasticity. Validity test is used to measure the validity of a question in the questionnaire. Data validity in this study uses the criteria If  $r_{\text{count}} > r_{\text{table}}$ , it indicates that the question item is valid. Conversely, if  $r_{\text{count}} < r_{\text{table}}$ , it means that the question item is invalid. R table values can be obtained by the equation of  $N - 2 = 30 - 2 = 28 = 0.361$ .

**Table 3. The Result of Validity Test**

Variables	Indicator	r <sub>count</sub>	r <sub>table</sub>	Inform.
Manager Performance (Y <sub>2</sub> )	Y <sub>2.1</sub>	0.507	0.361	Valid
	Y <sub>2.2</sub>	0.723	0.361	Valid
	Y <sub>2.3</sub>	0.653	0.361	Valid
	Y <sub>2.4</sub>	0.381	0.361	Valid
Competence (Y <sub>1</sub> )	Y <sub>1.1</sub>	0.405	0.361	Valid
	Y <sub>1.2</sub>	0.648	0.361	Valid
	Y <sub>1.3</sub>	0.522	0.361	Valid
Recruitment(X <sub>1</sub> )	X <sub>1.1</sub>	0.619	0.361	Valid
	X <sub>1.2</sub>	0.424	0.361	Valid
	X <sub>1.3</sub>	0.618	0.361	Valid
	X <sub>2.1</sub>	0.780	0.361	Valid
Selection (X <sub>2</sub> )	X <sub>2.2</sub>	0.594	0.361	Valid
	X <sub>2.3</sub>	0.460	0.361	Valid
	X <sub>2.4</sub>	0.733	0.361	Valid
	X <sub>2.5</sub>	0.492	0.361	Valid
	X <sub>2.6</sub>	0.692	0.361	Valid

Source: *Finding 2020*

From Table 3, it is discovered that all variables are declared valid because  $r_{\text{count}} > r_{\text{table}}$ . The result of the data reliability test in this study can be seen in the following table:

**Table 4. The Result of Reliability Test**

Number	Variables	Cronbach's Alpha	Limit Value	Inform.
1	Manager Performance	0.746	0.6	Reliable
2	Competence	0.691	0.6	Reliable
3	Recruitment	0.727	0.6	Reliable
4	Selection	0.838	0.6	Reliable

Source: *Finding 2020*

Dealing with the Table 4, it can be seen the reliability value of all variables  $\geq 0.6$ . It indicates that most of this research data is reliable or it can be trusted. Determination test is used to find out the effect of independent variables on the dependent variable. The Phase 1 of Determination Test obtained a coefficient of determination ( $R^2$ ) of 0.726. It shows that the percentage of the effect of recruitment and selection on competence is 72.6%, while the remaining 27.4% is effected by other variables not included in this test. The Phase 2 obtained the coefficient of determination ( $R^2$ ) of 0.386. 38.6%, it indicates that the percentage of the effect of competence on performance is 38.6%, while the remaining 61.4% is effected by other variables not included in this test.

Simultaneous test (Test F) is used whether the independent variables jointly have a significant effect on the dependent variable. The F table value at alpha 5% is obtained from the following equation:

**Tabel 5. Simultaneous Test Results (F Test)**

ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	98.119	2	49.060	35.701	.000 <sup>b</sup>
	Residual	37.102	27	1.374		
	Total	135.221	29			

a. Dependent Variable: Competence

b. Predictors: (Constant), Selection, Recruitment

Source: *Finding 2020*

$$F_{table} = n - k - 1; k$$

$$F_{table} = 30 - 2 - 1; 2$$

$$F_{table} = 27; (2^{nd} \text{ column in table F})$$

$$F_{table} = 3.354$$

Note n: number of samples

k: number of free variables

1: constant

It is known that  $F_{count} (35,701) > F_{table} (3,354)$  with Sig. (0,000)  $< 0.05$ . Thus, the hypothesis is accepted, It shows that the recruitment and selection variables jointly (simultaneously) effect on the competence.

The partial test is used to see whether the independent variable individually has a significant effect on the dependent variable.

**Tabel 6. Partial Test Results (t Test)****Step 1**

Coefficients <sup>a</sup>					
Model	Unstanda. Coefficients	Std. Coeffi.	t	Sig.	
	B	Std. Error	Beta		
1	(Constant)	1.182	.936	1.263	.218
	Recruitment	.582	.125	.595	.000
	Selection	.182	.067	.345	.012

a. Dependent Variable: Competence

Source: *Finding 2020*

The regression equation of phase 1 is as follows:

$$Y_1 = a + b_1X_1 + b_2X_2 + e$$

$$Y_1 = 1,182 + 0,595X_1 + 0,345X_2 + e$$

While the t table value at the 5% significance level (2-tailed) is obtained by the following equation:

$$t\text{-table} = n - k - 1; \alpha / 2$$

$$= 30 - 2 - 1; 0.05 / 2$$

$$= 27; (2^{nd} \text{ column of table t})$$

$$= 2,052$$

Note n: number of samples

k: number of free variables

1: constant



- a. Recruitment. It is obtained  $t_{\text{count}} (4,684) > t_{\text{table}} (2,052)$  or  $\text{Sig} (0,000) < \alpha (0,05)$ . Thus the first hypothesis is accepted, it means that the recruitment has a significant effect on the competence.
- b. Selection. It is obtained  $t_{\text{count}} (2,698) > t_{\text{table}} (2,052)$  or  $\text{Sig} (0,012) < \alpha (0,05)$ . Thus the second hypothesis is accepted, it indicates that selection has a significant effect on the competence.

## Step 2

Coefficients <sup>a</sup>					
Model	Unstand. Coefficients		Std.	t	Sig.
	B	Std. Error	Coeff. Beta		
1 (Constant)	5.156	1.600		3.222	.003
Competence	.743	.177	.621	4.191	.000

a. Dependent Variable: Performance  
Source: *Finding 2020*

The regression equation in the phase 2 is as follows:

$$Y_2 = a + bX + e$$

$$Y_2 = 5,156 + 0,621X + e$$

For table t values with the formula:

$$\begin{aligned} t_{\text{table}} &= n - k - 1; \alpha / 2 \\ &= 30 - 2 - 1; 0.05 / 2 \\ &= 27; (2^{\text{nd}} \text{ column of table } t) \\ &= 2,052 \end{aligned}$$

- c. Competence. It is obtained  $t_{\text{count}} (4,191) > t_{\text{table}} (2,052)$  or  $\text{Sig} (0,000) < \alpha (0,05)$ . Thus the fourth hypothesis is accepted, it indicates that competence has a significant effect on manager performance.

## Discussion

Based on the result of statistical tests obtained that recruitment has a significant effect on the competence of BUMDes manager in Kampar Regency. A good recruitment process is often seen from its effectiveness in attracting the best employees candidate to be subsequently selected and accepted. In fact, in the process of finding prospective BUMDES manager in villages, the information is obtained by word of mouth even by pointing directly to a candidate coming from the village itself. This way actually has a positive side where the manager candidate is already known and expected to be able to establish good cooperative relations in future BUMDes business management, although it may disregard the requirements to become a Manager as stated in Permendes No. 4 of 2015. The amount of compensation will definitely make someone interested in becoming a manager, even though in managing the BUMDes the manager does not get compensation but it will pay off if they are able to develop a business and make a large profit. This is also one of the reasons for the lack of community interest in managing the BUMDes and obstacles in the recruitment process to get many candidates to be selected.

Descriptive analysis is carried out based on recruitment indicators, the recruitment process of BUMDes managers has been carried out in accordance with the requirements based on the qualifications needed by the business in that area. However, the problem is there are still many BUMDes that conduct recruitment in a closed manner so that the opportunities of the wider community to become managers are reduced due to lack or lack of information. If the recruitment process is carried out in accordance with existing provisions, obviously there

will be many candidates who will be selected to become managers who have competence in developing BUMDes businesses.

The result of statistical test shows the selection has a significant effect on the competence of BUMDes manager in Kampar Regency. Selection is an attempt that must be done by an organization to get qualified and competent human resources. The selection process is carried out based on the stages that have been determined by noticing at the requirements of the position or job. The fact is to find someone who is competent in narrow area such as in the village is quite difficult. This is due to the number of applicants or candidates is very small, thus, the selection process often ignores the main requirements of the prospective manager. For example, prerequisite for having an entrepreneurial spirit is the main requirement for BUMDes manager, however those requirements are difficult to be carried out, so then the selection is conducted based on another criteria such as the level of education. However, a high educational background cannot show anyone who can carry out its duties as a BUMDes manager

Statistical testing shows that the recruitment and selection variables jointly effect on the competence of BUMDes manager in Kampar Regency. A good recruitment process has not been able to get competent manager, however it must also be accompanied by a selection process in selecting competent manager. Recruitment and selection have an effect of 73.1% on competence.

Statistical testing of competency variables on the performance of BUMDes manager in Kampar District reveals the significant result. One of the factors that is relied upon to get a person's performance in an organization or company is potential and quality human resources. Human resources are the most important aspect in an organization to achieve organizational goals. Knowledge of the business fields being funded and the business prospects are carried out by the community as a business actor must be discussed in advance by the manager with the community. Manager must be able to provide examples and direction on an ongoing basis so that businesses can operate well. If the knowledge, skills possessed by the manager are accompanied by a good work attitude, it will greatly effect the performance towards a good direction.

Descriptive analysis on good work attitude and behavior indicators has been shown by BUMDes manager in Kampar Regency. However, the indicators of the manager's ability have not been proven yet. It means, the manager has not been able to prove his ability in managing BUMDes with many businesses that have not yet run optimally despite already having a planned business program.

## **Conclusion And Recommendation**

Recruitment has a positive and significant effect on the competence of BUMDes manager. It indicates that if the recruitment is well conducted it will be able to get a manager who has high competence. The recruitment carried out in search of managers has not been done well enough because recruitment is still conducted in the private and the village government has not been maximized in finding manager candidate of BUMDes.

Selection has a positive and significant effect on the competence of BUMDes manager. It shows that if the selection is well conducted it will be able to get a manager who has high competence. The selection has been carried out well, but there are still many criteria that have not been met so that they have not been able to reach the target very well in accordance with the requirements of Permendes No. 4 of 2015. This is due to the fact that special tests have not been conducted to assess the creativity of managers, the lack of discussion between the village government and manager to create innovations so that they automatically do not pay attention to the manager's knowledge and skills. Competence has a positive and significant effect on the performance of BUMDes manager. It means that the higher the competency, the

better the performance of BUMDes manager. The competencies of some managers have been said to be good, but there are still many managers who do not have high competence so that BUMDes has not been able to achieve very good target. This is due to the lack of knowledge, skills and abilities of manager in managing BUMDes businesses. Thus, there are still many managers' performance has not been proven to be able to develop and advance BUMDes. The performance of BUMDes manager has been said to be good, but it has not reached the target very well as expected by the government. This is due to the lack of participation, transparency, and responsibility of manager in carrying out BUMDes so that BUMDes cannot yet develop and advance.

The process of recruitment or finding BUMDes manager, it requires village governments to be able to open wider opportunities for local communities but it must be clear and in accordance with government regulations regarding BUMDes manager. If there is information and opportunities wide open so then there will be many candidates who can be selected. To get a quality manager it is necessary the wise selection in getting people who are truly capable of running BUMDes. The process of selecting BUMDes manager must look at their capabilities or competencies as well as entrepreneurial skills, because BUMDes is a place to open jobs and improve the economy of rural communities. Manager must be able to have deep knowledge about how to advance a business. The village government can also provide training for manager in order to having capability to run the BUMDes business.

It is expected that the manager can help or participate in providing solutions and examine the complaints requested by BUMDes, be responsible for what is mandated as a manager and be transparent in the use of existing funds and budgets, to be able to manage and cooperate with the community or other parties to open business opportunities so that it can help the community's economy. Government agencies that oversee BUMDes, and establish BUMDes, namely the Office of Community Empowerment and Villages of Kampar Regency, are expected to conduct more intensive guidance, encourage the development of BUMDes as well as possible and it can pay attention to BUMDes who does not report the results of BUMDes performance to related Agencies. The business unit that develops in BUMDes in Kampar Regency is not only engaged in trading, BUMDes manager can launch business units that are based on agriculture, tourism, tradition, and nature in Kampar Regency. As an example of making mat or carpet from rattan, the famous oranges in Kampar Regency are made to be more attractive, also provide and sell local traditional cakes. It is conducted to the existing potential is not lost and by having the presence of BUMDes can make the area known to many people. Students as young and millennial generation can participate in advancing BUMDes in their area by inviting existing businesses through social media because nowadays social media is easy thing to be accessed by people so then it can also be a platform for buying and selling BUMDes businesses online.

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