



THE MEDIATING ROLE OF AFFECTIVE COMMITMENT AND POLICY IMPLEMENTATION IN IMPROVING THE PERFORMANCE OF BUMDES

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Abstract

This research aims to examine how leadership influences the performance of BUMDes Directors, mediated by Affective Commitment and Policy Implementation. BUMDes is a strategic business entity for the economic development and welfare of village communities. The study surveyed 253 advanced-category BUMDes directors in Riau Province, using SEM-PLS analysis. The findings indicate that leadership has a significant positive influence on Affective Commitment and Policy Implementation by the directors. Effective leadership shapes directors' affective commitment and encourages active participation in policy implementation and goal achievement. Leadership also directly influences BUMDes director performance, mediated by Affective Commitment and Policy Implementation. These findings highlight the vital role of leadership in enhancing BUMDes director performance through affective commitment and policy implementation. The research implications can guide decision-making and policy improvement related to BUMDes, as well as contribute to literature on the role of BUMDes in sustainable village development.

Keywords: leadership; commitment; policy implementation; performance

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INTRODUCTION

The problem to be examined in this research is the performance of Village-Owned Enterprises (BUMDes) Directors. BUMDes is a business entity that plays a strategic role in the development of the local economy and community welfare. BUMDes Directors are responsible for the operational management and business success in achieving local economic development goals. Research on the performance of BUMDes directors can provide insights into the factors that influence the success of BUMDes in driving village economic growth. Therefore, it is important to understand how leadership can influence the performance of BUMDes directors through factors such as affective commitment and policy implementation. (Hendriani et al., 2019; Hilmawan et al., 2023; Laundry, 2019).

Rural development in Indonesia remains a strategic issue in sustainable development. According to UU No. 6 tahun 2014, a village is a legal community unit with defined territorial boundaries that has the authority to govern and manage local affairs based on community initiatives, customary rights, and/or traditional rights recognized and respected within the governance system of the Republic of Indonesia. Although UU No. 6 tahun 2014 on Villages clearly recognizes the authority of villages, its implementation has been suboptimal. This is because many District Governments have not enacted regulations regarding village authority. As a result, villages are limited to providing assistance due to their limited authority. Empirically, villages receive development stimuli in the form of funding assistance from various institutions or agencies with programs and activities in the villages. Villages still underutilize their authority to tap into their potential in order to create

and enhance local village incomes. Village innovation is not widely practiced by village governments because they prefer to receive stimulus funds from higher-level governments. (Rizal & Hermanto, 2019; Ruiz-Corrales et al., 2022; Tarlani et al., 2022).

Sustainable development in rural areas currently applies the principles of the Sustainable Development Goals (SDGs) for Villages, which consist of 17 goals. Therefore, development that incorporates the SDGs for Villages can contribute to the achievement of national sustainable development as outlined in Peraturan Presiden No. 59 tahun 2017 regarding the implementation of sustainable development goals. The progress of rural development is measured by the Rural Development Index. At least three indices are calculated, each with different objectives: the Geographical Difficulty Index (IKG), the Village Development Index (IPD), and the Developing Village Index (IDM). IDM is a composite index formed based on three sub-indices: the Social Resilience Index (IKS), the Economic Resilience Index (IKE), and the Ecological/Environmental Resilience Index (IKL). Another issue is that the number of villages categorized as self-reliant has increased over the years, but the increase in the self-reliant category is not accompanied by an increase in the advanced and developing categories. This indicates that there are influences from macroeconomic factors and global health factors on the fulfillment of the three intended indices. (Deacon, 2016; Huerta et al., 2018; Jayasooria, 2016; Raiden & King, 2021).

There are still many issues faced by underdeveloped and highly underdeveloped villages in various indicators. For example, the Geographical Difficulty Index (IKS) measures infrastructure problems that have not been addressed, as well as the lack of territorial openness. The Economic Resilience Index (IKE) assesses social capital, village markets, and production diversity in the village. The Ecological/Environmental Resilience Index (IKL) evaluates the availability of disaster management in the village. The government, through Government Regulation No. 11 of 2021 concerning Village-Owned Enterprises (BUMDes), is implementing the provisions of UU No. 11 tahun 2020 on Job Creation, which reinstates the government regulation regarding Village-Owned Enterprises. This government regulation on BUMDes is based on several regulations, including: (a) Pasal 5 ayat (2) Undang-Undang Dasar Negara Republik Indonesia Tahun 1945; (b) Undang-Undang Nomor 6 Tahun 2014 concerning Villages; (c) Undang-Undang Nomor 11 Tahun 2020 on Job Creation; (d) Undang-undang Nomor 32 Tahun 2004 concerning Regional Government, which states in Pasal 213 ayat 1-3 that villages can establish Village-Owned Enterprises (BUMDes) according to their needs and potential. BUMDes, as mentioned in this regulation, is a legal entity established by the village and/or several villages together to manage businesses, utilize natural and human resources in the village, and improve the welfare of the village community. (Christy et al., 2020; Muda & Erlina, 2020; Revida et al., 2023; Soetjioto, 2015).

Previous research on Village-Owned Enterprises (BUMDes) has provided important insights into various aspects related to BUMDes. However, there are still gaps or research opportunities that can be further explored. Previous studies have identified several key factors that contribute to the success of BUMDes, such as leadership, community participation, and financial management. However, there is still a gap in understanding the extent to which these factors influence BUMDes in different contexts and how they interact with each other. This research aims to complement previous studies by incorporating the variables of affective commitment and policy implementation as mediating variables, thus adding novelty to the research model. (Adiwan Aritenang, 2021; Hendriani et al., 2019; Nasfi, Aimon, & Ulfa Sentosa, 2023; B P Prasetya et al., 2023)

Leadership is a process in which an individual influences group members to achieve established goals. Leadership involves influence, goals, processes, and context. An effective leader must be able to influence others to achieve shared goals, using skills and leadership styles that are appropriate for the situation, as well as understanding the organizational context that influences leadership. (Artati & Utami, 2020; Gary A. Yukl, 2019; Nasfi, Aimon, & Sentosa, 2023)

Affective commitment is one of the dimensions of organizational commitment that involves positive feelings and emotions towards the organization. This concept was first introduced in the Three-Component Model of Commitment theory. Affective commitment involves a strong emotional attachment to the organization. Individuals with high affective commitment have positive feelings, enthusiasm, and a strong identification with the organization they work for. They feel happy and satisfied being part of the organization and have a close relationship with the organization's values, goals, and culture. High affective commitment is considered the strongest and most desirable form of commitment. Individuals with high affective commitment tend to be more loyal, have long-term commitment, and have a strong desire to remain in the organization. (Asgari et al., 2020; Khalid, 2020; Meyer et al., 1990, 1993)

Policy implementation refers to the process of translating policy decisions into concrete actions carried out by an organization or responsible party. Policy implementation involves a series of steps and activities

to apply the policy in organizational practice. Effective leadership in Village-Owned Enterprises (BUMDes) is closely related to affective commitment and policy implementation. A good leader will be able to build a positive working relationship between the BUMDes director and employees, as well as encourage active participation in policy implementation and the achievement of BUMDes goals. Effective leadership also plays a role in shaping the director's affective commitment to the organization. When directors have high affective commitment, they will be more motivated, dedicated, and successful in their work, as well as able to overcome barriers and challenges that arise. (Dunn, 2017; Estradivari et al., 2022; Rashed & Shah, 2021)

Furthermore, good leadership also influences policy implementation in BUMDes. An effective BUMDes director has the ability to implement policies well, coordinate operational activities, and ensure that the established policies can be executed efficiently and effectively. Good policy implementation will have a positive impact on the achievement of organizational goals and overall BUMDes performance. Therefore, effective leadership in BUMDes plays a crucial role in influencing the affective commitment of the BUMDes director and successful policy implementation. The positive relationship between leadership, affective commitment, and policy implementation will have a positive impact on BUMDes performance and the organization's ability to face existing challenges. (Apriwandi et al., 2021; Hendriani et al., 2019; Bangun Putra Prasetya et al., 2023).

METHOD

This research aims to reveal the results of whether the leadership variable affects the performance of BUMDes directors, mediated by Affective Commitment and Policy Implementation in Village-Owned Enterprises in the Riau Province. Each indicator is measured using a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The researcher employs a descriptive-verification research design, while the research methodology used is quantitative. The exploration is conducted by distributing questionnaires and conducting interviews with BUMDes directors. The research focuses on advanced-category BUMDes in each district throughout the Riau Province. The selected respondents are 253 BUMDes directors. The analytical tool used is SEM-PLS (Structural Equation Modeling-Partial Least Squares) (F. Hair Jr et al., 2014; Patrón et al., 2021; Schindler, 2019). Table 1 presents the measurement of variables as follows:

Table 1. Variable Measurement

Variables	Dimensions	Reference
Leadership	1. Systems thinker	(Yukl; 2019)
	2. Change Agent	
	3. Creator	
	4. Servants and administrators	
	5. Polychronic coordination	
	6. Instructors and training	
	7. Visionary	
Affective Commitment	(Dunn, 2017)	
Policy Implementation		1. Personal characteristics
		2. Job characteristics
		3. Work experience
	4. Structural characteristics	
Performance of BUMDes Directors	1. Scope of business	(Soetjioto, 2015; Indicators PP RI Nomor 11 Tahun (2021))
	2. Access the service	
	3. Accuracy of service	
	4. Accountability	
	5. Program sustainability	
	6. Service accountability	
Performance of BUMDes Directors	1. Professional	(Soetjioto, 2015; Indicators PP RI Nomor 11 Tahun (2021))
	2. Open and responsible	
	3. Participative	
	4. Priority of local resources	
	5. Sustainability	

Source: processed data, 2024

Based on the problems that occurred, the researcher explained the research model in Figure 1.

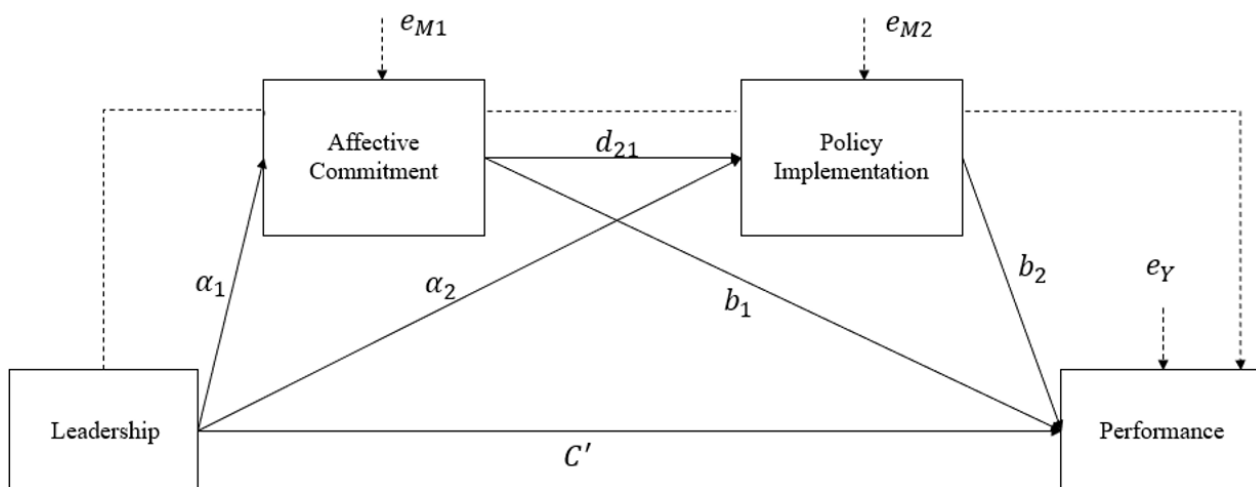


Figure 1. Research Model

Based on Figure 1 conceptual framework, the following hypothesis is formulated. (H1) Leadership influences affective commitment. (H2) Leadership influences Policy Implementation which is mediated by Affective Commitment. (H3) Leadership influences the performance of BUMDes Directors which is mediated by Policy Implementation. (H4) Leadership influences the performance of BUMDes Directors as mediated by serial Affective Commitment and Policy Implementation.

RESULTS

In this study, primary data was collected through questionnaire distribution to assess the characteristics of respondents and the responses of directors in BUMDes in the Riau Province. Based on the questionnaire distribution to 253 leaders, it was found that 77.47% of the respondents were male, and 22.53% were female. The majority of respondents in this study were in the age group of 21-30 years. The educational level of the respondents was predominantly Bachelor's degree, and 68.77% of them had been working for 2-5 years. Table 2 displays the characteristics of the respondents as follows:

Table 2. Respondent Profile

No	Characteristics of Respondents	Information	Rate (%)
1	Sex	Man	77,47%
		Woman	22,53%
2	Age	21 – 30 years.old	36,36%
		31 – 40 years old	31,23%
		41 – 50 years old	27,67%
		> 50 years old	4,74%
3	Education Level	Senior High School	34,78%
		Diploma	3,16%
		Undergraduate	60,87%
		Postgraduate	1,19%
4	Years of service	< 2 years. old	17%
		2 – 5 years. old	68,77%
		6 – 10 years old	12,65%
		> 10 years. old	1,58%

Source: processed data, 2024

Table 3. Construct Reliability and Validity

Indicators	Policy Implementation	Leadership	Performance of BUMDes Directors	Affective Commitment
X1.1		0,834		
X1.2		0,881		
X1.3		0,897		
X1.4		0,897		
X1.5		0,888		
X1.6		0,929		
X1.7		0,868		
Y1.1				0,915
Y1.2				0,876
Y1.3				0,867
Y1.4				0,766
Y2.1	0,812			
Y2.2	0,776			
Y2.3	0,782			
Y2.4	0,764			
Y2.5	0,855			
Y2.6	0,764			
Z.1			0,860	
Z.2			0,935	
Z.3			0,868	
Z.4			0,828	
Z.5			0,860	

Source: processed data, 2024

Based on the analysis of the measurement model, and the calculation process that produces all indicators and variables, it shows that all validity and reliability requirements are met for further analysis. The reliability table has been fulfilled, as shown from the results of the analysis of all composite reliability and Cronbach's alpha value is greater than 0,7. This table also shows the Outer Loadings value for all variables. for Leadership variable measured by 7 indicators, the Outer Loadings value is between 0,834 – 0,929. While the Affective Commitment variable measured by 4 indicators shows the Outer Loadings value between 0,766 – 0,915. While the policy implementation variable measured by 6 indicators shows the Outer Loadings value between 0,764 – 0,855. The last variable, namely Performance of BUMDes Directors, shows the Outer Loadings value between 0,828 – 0,935. These results are in accordance with the results of research conducted by several previous researchers, which showed that all variables measured by the indicators studied were outer loadings like in Figure 2.

Based on the results of the study showing a convergent validity assessment, all AVE values passed the recommended threshold for acceptable validity of 0,5.(F. Hair Jr et al., 2014). This can be interpreted that all indicators and measures used to measure variables are in accordance with the specified threshold. Recapitulation of results can be seen in Table 4.

Table 4. Construct Reliability and Validity

Variable	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Policy Implementation	0,881	0,884	0,910	0,628
Leadership	0,954	0,956	0,962	0,784
Performance	0,920	0,923	0,940	0,758
Affective Commitment	0,879	0,884	0,917	0,736

Source: processed data, 2024

After testing the outer model that has met, then testing the inner model (structural model). The inner model can be seen by looking at the r-squared (reliability indicator) for the dependent construct and the t-statistical value of the path coefficient test (path coefficient).

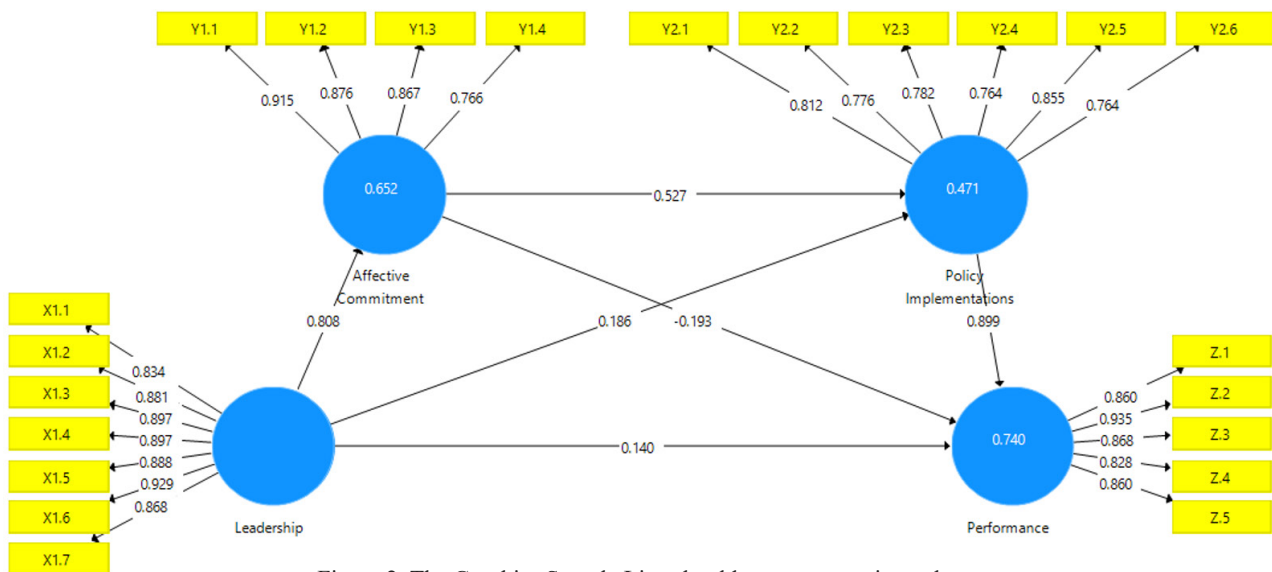


Figure 2. The Graphics Sample Line should use a contrasting color

The higher the r-square value, the better the prediction model of the proposed research model is. The path coefficient value indicates the level of significance in the test hypothesis. Changes in the value of R2 are used to explain the effect of the exogenous latent variable on the endogenous variable, whether it has a substantive effect. R2 values of 0,75, 0,50, and 0,25 can be said that the model is strong, moderate, and weak. (F. Hair Jr et al., 2014). The higher the R2 value, the better the prediction model of the proposed research model. Based on the r-square value in table 5 shows that leadership affect Affective Commitment 65,2%, and the remaining 34,8% is explained by other constructs outside the study. While leadership has an effect on Policy Implementations which is mediated by affective commitment by 47,1%, and the remaining 52,9% is explained by constructs other than those studied in this study. Based on the results of this research, it was found that leadership had an influence on director performance which was mediated by affective commitment and policy implementation by 73,7%, and the remaining 26,3% was explained by constructs other than those examined in this research.

Table 5. Measurement Model Test Result

Variable	R Square	R Square Adjusted
Affective Commitment	0,652	0,651
Policy Implementations	0,471	0,467
Performance	0,740	0,737

Source: processed data, 2024

The indirect influence of leadership on performance, mediated by affective commitment, is -0.156%. Meanwhile, the indirect influence of leadership on policy implementation, mediated by affective commitment, is 0.426. The indirect influence of leadership on performance, mediated by policy implementation, has an influence value of 0.167. Additionally, the indirect influence of leadership on performance, mediated by both affective commitment and policy implementation in a serial manner, has an influence of 0.383.

Table 6. Indirect Effects

Variable	Specific Indirect Effects
Leadership → Affective Commitment → Performance	-0,156
Leadership → Affective Commitment → Policy Implementations	0,426
Leadership → Policy Implementations → Performance	0,167
Leadership → Affective Commitment → Policy Implementations → Performance	0,383

Source: processed data, 2024

The significance of the predictive model in testing the structural model can be determined by examining the P-value. A P-value less than 0,05 or 5% indicates a significant relationship, while a P-value greater than 0,05 or 5% suggests a lack of significance. To assess the direction of the effect, one can refer to the Original Sample. A positive value in the original sample indicates a positive direction of the effect, whereas a negative value suggests a negative direction. These assessments can be made by referring to the path coefficient table in the SmartPLS output, which shows the relationship between the independent variable and the dependent variable.

Table 7. Hypothesis Testing Results

Variable	Original Sample	Sample Mean	Standard Deviation	T Statistics	P Values	Conclusion
Leadership → Affective Commitment	0,808	0,804	0,038	21,414	0,000	Supported
Leadership → Policy Implementations	0,612	0,606	0,074	8,244	0,000	Supported
Leadership → Performance	0,534	0,529	0,080	6,633	0,000	Supported
Affective Commitment → Policy Implementations	0,527	0,536	0,121	4,351	0,000	Supported
Affective Commitment → Performance	0,281	0,285	0,111	2,530	0,012	Supported
Policy Implementations → Performance	0,899	0,906	0,052	17,376	0,000	Supported

Source: processed data, 2024

Hypothesis 1 tests whether Leadership has an influence on affective commitment. The results of the test show that the coefficient of Leadership has a positive influence on affective commitment, with a value of 0.808 and a t-statistic of 21.414. The t-statistic is declared significant because it is greater than 1.96 with a p-value.

Hypothesis 2 tests whether Leadership has an influence on policy implementation. The results of the test show that the coefficient of Leadership has a positive influence on policy implementation, with a value of 0.612 and a t-statistic of 8.244. The t-statistic is declared significant because it is greater than 1.96 with a p-value.

Hypothesis 3 tests whether Leadership has an influence on performance. The results of the test show that the coefficient of Leadership has a positive influence on performance, with a value of 0.534 and a t-statistic of 6.633. The t-statistic is declared significant because it is greater than 1.96 with a p-value.

Hypothesis 4 tests whether affective commitment has an influence on policy implementation. The results of the test show that the coefficient of affective commitment has a positive influence on policy implementation, with a value of 0.527 and a t-statistic of 4.351. The t-statistic is declared significant because it is greater than 1.96 with a p-value.

Hypothesis 5 tests whether affective commitment has an influence on performance. The results of the test show that the coefficient of affective commitment has a positive influence on performance, with a value of 0.281 and a t-statistic of 2.530. The t-statistic is declared significant because it is greater than 1.96 with a p-value.

Hypothesis 6 tests whether policy implementation has an influence on performance. The results of the test show that the coefficient of policy implementation has a positive influence on performance, with a value of 0.899 and a t-statistic of 17.376. The t-statistic is declared significant because it is greater than 1.96 with a p-value.

DISCUSSION

Effective leadership, high affective commitment, good policy implementation, and good performance of BUMDes directors are important factors in achieving organizational goals and improving community welfare. Leadership has an influence on affective commitment because the BUMDes in Riau Province has leaders within the productive age range, which makes it highly likely for them to have affective commitment to lead the BUMDes towards a better and more advanced direction. Affective commitment is part of organizational commitment that refers to the emotional attachment an individual has towards their involvement in advancing an organization, in this case, the BUMDes. This is because leadership is the main pillar that influences organizational culture, strategic direction, and work climate within the BUMDes. There are several key reasons that explain why this happens. First, a BUMDes leader plays a central role in shaping organizational culture. The leadership style, values, and ethics demonstrated by a leader serve as an example for team members and other stakeholders. By having a committed and integrity-driven leader, team members are likely to feel inspired and more motivated to commit to the goals and values of the BUMDes. Second, effective leadership can provide clear strategic direction for the BUMDes. Leaders with a strong vision and the ability to formulate appropriate action plans will help the BUMDes achieve their goals more effectively. This creates confidence among team members that business objectives can be accomplished, thereby enhancing their commitment. Third, a leader who creates a positive, inclusive, and motivating work climate will influence the affective

commitment of team members. A leader who supports, listens to, and facilitates the participation of team members will create an environment where team members feel valued and have a sense of importance. This can enhance their commitment to contribute to the maximum. Fourth, leaders also play a role in promoting transparency and openness within the BUMDes. When leaders provide clear and open information about business developments and decision-making, it builds trust among team members and stakeholders. Trust forms the foundation of strong commitment. Training focused on developing BUMDes leadership skills can help them become more effective leaders. This training should cover aspects such as communication, decision-making, conflict management, and team empowerment. By improving leadership skills, leaders can more effectively influence team members and enhance their commitment. Additionally, providing skills in formulating clear vision and strategy, and involving them in the development of BUMDes vision and strategic plans, should be given to leaders. Leaders should also be empowered to fully understand and communicate this vision and strategy clearly to team members and other stakeholders. The findings of this research are also supported by the results of research from (Filimonau et al., 2020; Hendriani et al., 2019; Houle et al., 2020; Paltu & Brouwers, 2020; Shen & Tsai, 2022)

Leadership has a significant influence on policy implementation. Effective leadership can influence and motivate members of BUMDes to carry out established policies. A leader who can positively influence team members, provide clear guidance, and offer adequate support will increase the likelihood of successful policy implementation. However, the influence of leadership on policy implementation can be mediated by affective commitment. Affective commitment refers to the level of emotional attachment an individual has to an organization or situation. In this case, affective commitment to BUMDes can play a crucial role as a link between leadership and policy implementation. When a leader is able to build a strong relationship with BUMDes members, foster emotional attachment to the organization, and create a strong bond between individuals and BUMDes, BUMDes members are likely to have high affective commitment. High affective commitment will have a positive impact on policy implementation because BUMDes members will feel emotionally connected to the organization and have a high motivation to carry out policies effectively. Thus, leadership plays a predictive role in policy implementation in BUMDes. However, this influence can be mediated by the level of affective commitment held by BUMDes members. Effective leadership can influence affective commitment, which in turn will positively affect policy implementation. Therefore, it is important for BUMDes leaders to pay attention to and build affective commitment among team members as part of a successful policy implementation strategy. The findings of this research are also supported by the results of research from (A Aritenang, 2021; Artati & Utami, 2020; Ibrahim, 2023; Kabrilyants et al., 2021; Rahayu et al., 2023).

Affective commitment is related to employees' emotional attachment, identification, and involvement within an organization. Employees with high affective commitment remain with the organization because of their desire to remain members of the organization. Commitment has an influence on the performance of BUMDes directors. This is because commitment is a key element that drives team members, especially leaders, to work to the maximum in achieving organizational goals. There are several fundamental reasons that explain why commitment plays a crucial role in improving the performance of BUMDes directors. First, commitment creates high internal motivation among team members. When leaders and team members are committed to the goals and vision of BUMDes, they tend to have a strong drive to achieve them. They see the organization's goals as their personal goals, and this motivates them to work hard, take responsibility, and persevere in the face of challenges. Second, commitment creates consistency in actions and efforts. Committed team members will be consistent in carrying out their tasks and responsibilities. They have a determination to fulfill their commitments to the organization and stakeholders. This consistency allows for more effective planning and implementation in achieving BUMDes goals. Third, commitment enhances productivity and work quality. Committed team members tend to be more focused and dedicated in their work. They will seek ways to improve the quality of products or services offered by BUMDes. Higher performance in terms of productivity and quality will have a positive impact on the overall outcomes of BUMDes. Fourth, commitment creates reliability in relationships with stakeholders. When BUMDes demonstrates strong commitment to their social and economic goals, it creates trust among stakeholders such as the local community, government, and investors. This trust is an important asset in building sustainable relationships and supporting long-term performance. Thus, high commitment among BUMDes leaders creates a strong foundation for better organizational performance. It motivates team members to work hard, be consistent, and be productive in achieving BUMDes goals, and ultimately, it generates significant positive impact on the overall performance of the organization. Several previous research findings that support the influence of affective commitment on the performance of BUMDes directors come from the study conducted by (Hendriani et al., 2019; Meyer et al., 1990; B P Prasetya et al., 2023; Putra & Hendriani, 2020; Siqueira et al., 2021).

Leadership mediated serially by affective commitment and policy implementation in BUMDes management has an influence on the performance of BUMDes directors. This is because affective commitment acts as a driving factor that strengthens the positive impact of BUMDes management policy implementation. There are several fundamental reasons that explain why the combination of affective commitment and BUMDes management policy implementation has a strong influence on the performance of BUMDes directors. First, the affective commitment held by leaders and team members towards the organization's goals and vision creates strong internal motivation to implement policies effectively. They see policy implementation as a means to achieve organizational goals in line with the held affective commitment. In this context, commitment acts as a driving force for team members to implement policies with determination and high responsibility. Second, affective commitment influences positive attitudes towards the implementation of BUMDes management policies. To strengthen this affective commitment, BUMDes needs to ensure that the designed management policy implementation can clearly support the organization's goals and vision. Policies that are closely related to the BUMDes mission are likely to be more easily accepted by team members, including leaders. Therefore, there needs to be strong collaboration between policy-makers and leaders in designing relevant policies. BUMDes also needs to enhance transparency and effective communication about the implementation of management policies. BUMDes directors should regularly communicate with team members about the progress, outcomes, and impact of policy implementation. This helps ensure that all team members have a deep understanding of the importance of the policy and the expected positive impact on the performance of BUMDes directors. Another aspect that can strengthen team members' affective commitment to organizational goals is through leadership training and development. This includes training in management, communication, and effective leadership. BUMDes directors should motivate team members to maintain their affective commitment to the organizational vision and integrate it into every aspect of their work. Previous research findings that support these points include the study conducted by (Apriwandi et al., 2021; Asgari et al., 2020; Hilmawan et al., 2023; Pantius et al., 2018; Rahmawati, 2019; Razak & Sofyan, 2020).

CONCLUSION

Leadership has a positive effect on affective commitment and policy implementation. Leadership has a positive and significant effect on performance mediated by affective commitment and policy implementation. Therefore, effective leadership plays an important role in the success of BUMDes. Good leadership can build a positive working relationship between BUMDes leaders and employees, and encourage active participation in policy implementation and achieving BUMDes goals. In addition, the affective commitment of BUMDes leaders to the organization can increase motivation, dedication, and performance in managing BUMDes operations. In developing BUMDes, local governments need to have regulations that support village empowerment and encourage innovation and utilization of village potential to create local revenue. The implementation of policies that support BUMDes development also needs to be considered. The implications of this study can be used as guidelines in decision making and improving policies related to BUMDes. Furthermore, this study also provides an important contribution to the development of literature that discusses the role of BUMDes in sustainable development in villages by enriching understanding of the factors that influence the performance of BUMDes managers and the importance of effective leadership, affective commitment, and policy implementation in achieving regional economic development goals. The novelty in this study is that the Instructors and training dimension of the leadership variable, the Personal characteristics dimension of the affective commitment variable, and the Open and responsible dimension of the performance variable can be made into variables instead of dimensions because they have a large influence.

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