

EFFECTIVENESS AND EFFICIENCY OF FINANCIAL MANAGEMENT OF VILLAGE-OWNED ENTERPRISES (BUMDes)

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Abstract

This research aims to analyze the effectiveness and efficiency of financial management in the Village-Owned Enterprise (BUMDes) "Berkah" in Ajakkang Village, Soppeng Riaja District, Barru Regency. Employing a qualitative approach, data was collected through observation, interviews, and documentation. The results indicate that BUMDes "Berkah" has successfully met community needs through three main business units: Farmers' Shop, Stationery Business, and Savings and Loans. The Farmers' Shop improves farmers' access to quality agricultural inputs at affordable prices, the Stationery Business fulfills educational and office needs of the community, while the Savings and Loans provides financial access with low interest rates. However, significant challenges remain, including lack of transparency and accountability in financial reporting, limited stock, and limited public understanding of financial services. To enhance effectiveness and efficiency, increased transparency, training for managers, and improved promotional strategies are recommended. This study concludes that with further refinement, BUMDes "Berkah" can serve as an effective model for village economic empowerment in Indonesia.

Keywords: Village-Owned Enterprise, Financial Management, Effectiveness, Efficiency, Rural Development.

Abstrak

Penelitian ini bertujuan untuk menganalisis efektivitas dan efisiensi pengelolaan keuangan Badan Usaha Milik Desa (BUMDes) "Berkah" di Desa Ajakkang, Kecamatan Soppeng Riaja, Kabupaten Barru. Menggunakan pendekatan kualitatif, data dikumpulkan melalui observasi, wawancara, dan dokumentasi. Hasil penelitian menunjukkan bahwa BUMDes "Berkah" telah berhasil memenuhi kebutuhan masyarakat melalui tiga unit usaha utama: Toko Tani, Usaha ATK, dan Simpan Pinjam. Toko Tani meningkatkan aksesibilitas petani terhadap input pertanian berkualitas dengan harga terjangkau, Usaha ATK

memenuhi kebutuhan pendidikan dan perkantoran masyarakat, sementara Simpan Pinjam menyediakan akses keuangan dengan bunga rendah. Meskipun demikian, tantangan signifikan masih dihadapi, termasuk kurangnya transparansi dan akuntabilitas dalam laporan keuangan, keterbatasan stok, dan pemahaman masyarakat yang terbatas tentang layanan keuangan. Untuk meningkatkan efektivitas dan efisiensi, disarankan adanya peningkatan transparansi, pelatihan bagi pengelola, dan strategi promosi yang lebih baik. Penelitian ini menyimpulkan bahwa dengan penyempurnaan lebih lanjut, BUMDes "Berkah" dapat menjadi model efektif untuk pemberdayaan ekonomi desa di Indonesia.

Keywords: BUMDes, Pengelolaan Keuangan, Efektivitas, Efisiensi, Pembangunan Desa

A. Introduction

Village development is one of the main factors in the national development strategy which aims to realize community independence. Since the enactment of Village Law No. 6 of 2014, the government has actively encouraged the establishment of Village-Owned Enterprises (BUMDes) throughout Indonesia as an instrument to increase village income and community welfare¹. BUMDes has been recognized as an effective program in strengthening village economic independence through the management of local economic assets and resources².

Recent studies show significant developments in the implementation of BUMDes in various regions. Syahadatina's research (2023) revealed that effective management of BUMDes can encourage economic growth and create jobs in villages³. Meanwhile, Suastini and Karyada (2023) found a positive correlation between the success of BUMDes and the capacity of financial management and

¹ Rika Syahadatina and others, 'EFFECTIVENESS AND EFFICIENCY OF FINANCIAL MANAGEMENT OF VILLAGE-OWNED ENTERPRISES (BUMDes) IN PAMEKASAN REGENCY', *Kabillah (Journal of Social Community)*, 8.1 (2023), pp. 327–36.

² Ni Luh Gede Suastini and I Putu Fery Karyada, 'Analysis of Efficiency and Effectiveness in Financial Management of Village-Owned Enterprises', *HITA Accounting and Finance*, 4.1 (2023), pp. 325–42.

³ DESTI ELIA CITRA, 'MANAGEMENT OF FUNDS FROM VILLAGE-OWNED ENTERPRISES IN INCREASING THE INCOME OF THE GISTING VILLAGE COMMUNITY UNDER THE PERSPECTIVE OF ISLAMIC ECONOMICS' (UIN Raden Intan Lampung, 2020).

human resources⁴. This is reinforced by the findings of Sujarweni (2019) which shows that BUMDes play an important role in the empowerment of rural communities and local economic development⁵.

However, there is a significant gap between the potential and implementation of BUMDes in the field. Sagala and Siregar (2023) identified several main problems in the financial management of BUMDes, including a lack of transparency, inadequate accounting systems, and limitations in the use of information technology⁶. Zahrudin (2023) also found that the limited capacity of human resources is the main obstacle in the development of BUMDes, especially in the aspects of financial management and strategic planning⁷.

A preliminary study at BUMDes "Berkah" in Ajakkang Village, Soppeng Riaja District, Barru Regency, South Sulawesi, revealed similar challenges in financial management. The problems identified include a lack of transparency and accountability in financial reporting, low public participation, and limited human resources who are competent in financial management. This phenomenon reflects the gap between expectations and reality in the implementation of BUMDes as a driving force for the village economy.

Based on the identification of these problems, this study aims to analyze the effectiveness and efficiency of financial management of BUMDes "Berkah" in Ajakkang Village. In particular, this study will evaluate the implemented

⁴ Ummu Kalsum and others, 'PKM: Management of Bumdes Funds', *SWARNA: Journal of Community Service*, 1.3 (2022), pp. 335–40.

⁵ Rafi Alfiansyah, 'Social Capital as an Instrument for Village Community Empowerment', *Jurnal Socius: Journal of Sociology Research and Education*, 10.1 (2023), pp. 41–51.

⁶ Suparni Suparni and Helmut Hutapea, 'EFFECTIVENESS AND EFFICIENCY OF FINANCIAL MANAGEMENT OF VILLAGE MILK BUSINESS ENTITIES (BUMDes) IN SUKA MAKMUR VILLAGE, BINJAI DISTRICT, LANGKAT REGENCY', *General Ledger : Journal of Accounting and Financial Studies*, 1.1 (2022), pp. 13–26, doi:10.61715/gledger.v1i1.2.

⁷ Mustofa Kamal Ahmad Sagala and Saporuddin Siregar, 'Financial Management, Accounting Information Systems and Financial Performance Transparency in BUMDes', *E-Journal of Accounting*, 33.6 (2023), p. 1613, doi:10.24843/eja.2023.v33.i06.p015.

financial management system, identify factors that affect financial management performance, and formulate strategies to increase the financial management capacity of BUMDes.

This research is expected to make a significant contribution, both theoretically and practically. Theoretically, the results of this study will enrich the literature on financial management of BUMDes in the context of village economic development. Practically, the research findings can be a reference for stakeholders in increasing the effectiveness and efficiency of BUMDes financial management, as well as encouraging the development of more targeted policies in village economic empowerment.

B. Method

This type of research is qualitative *descriptive* research. The data in this study was obtained through systematic field studies by observing, recording, and collecting relevant data and information from related sources, namely several managers who are tasked with regulating BUMDes. The data collection techniques in this study are carried out through direct observation, in-depth interviews, and documentation that includes various records related to BUMDes activities. The data analysis uses the Miles and Huberman model which is divided into three streams of activities that occur simultaneously, namely data reduction, data presentation, and conclusion drawn. With this approach, it is hoped that the results of the research can provide a clear picture of the effectiveness and efficiency of financial management of BUMDes "Berkah".

C. Theoretical Framework

The grand theory used in this study is the Public Financial Management Theory. The theory developed through the contributions of various experts over the decades, with one of the key figures who made significant contributions being Allen Schick. Schick began developing important concepts in this theory as

early as the 1980s and continues to contribute to this day. One of his most influential works in this field is "*A Contemporary Approach to Public Expenditure Management*" published in 1998. This work is an important foundation in the development of Public Financial Management theory⁸.

This theory provides a comprehensive framework for understanding and analyzing financial management in public organizations, including entities such as Village-Owned Enterprises (BUMDes). The main focus of this theory is on how public organizations can plan, allocate, use, and control their financial resources effectively and efficiently to achieve organizational goals and provide maximum benefits to society.⁹

D. Research Results

1. Farmer Shop Business

This Farmer Shop business is one of the "blessing" BUMDes business units that aims to increase farmers' accessibility to agricultural needs, offer products at affordable prices to reduce production costs, and support productivity by providing quality goods.

Based on interviews and observations with managers, Toko Tani has succeeded in meeting the needs of the community. The existence of this store is very helpful for farmers in getting agricultural products without having to travel far, which was previously an obstacle. The community recognizes that the prices offered are more competitive compared to other stores, thereby reducing production costs.

2. ATK Business

This business received capital from the village office of Rp. 21,000,000. This capital is used for the procurement of goods, such as books, pencils, photocopiers, and other office equipment. Research shows that providing

⁸ Allen Schick, 'Public Disclosure Authorized Public Expenditure Management', 2001, pp. 1–143.

⁹ Schick.

this capital is very important to start and grow their business because it helps create the initial stock needed to attract customers. The results of the interviews show that many students and teachers and other people feel helped by the existence of this ATK Shop. In addition, this business also contributes to the income of BUMDes, which can be used for the development of other programs.

3. Savings and Loan Business

This savings and loan business is one of the "blessing" BUMDes business units in Ajakkang village, Soppeng Riaja District, Barru Regency which aims to provide financing to the community or micro entrepreneurs to develop their businesses with low interest of 1% per month.

Based on the observation of the savings and loan transactions in the "blessing" BUMDes Savings and Loan business, the debtor has not paid off in full because the interest on the customer's loan has not yet matured. Saving or borrowing capital at BUMDes "blessings" in Ajakkang village, Soppeng riaja district is easier and more affordable for people who need capital.

Table 1. Research Findings of BUMDes Business Unit "Berkah"

Theme	Sub-themes	Quotes/Findings
BUMDes Business Unit "Berkah"	Farmer Shop	<ul style="list-style-type: none"> - Improving farmer accessibility - Affordable price, reduce production costs - Providing quality goods - Helping farmers without traveling far
	ATK Business	<ul style="list-style-type: none"> - Initial capital of Rp. 21,000,000 from the village office - Provide books, pencils, photocopiers - Helping students, teachers, the community - Contributing to BUMDes revenue

	Savings and Loan Business	<ul style="list-style-type: none"> - Low interest financing of 1% per month - Providing low-interest business capital - Increase village income
Benefits of BUMDes	Economics	<ul style="list-style-type: none"> - Reduce farmers' production costs - Providing low-interest business capital - Increase BUMDes revenue
	Social	<ul style="list-style-type: none"> - Facilitate access to daily necessities - Supporting teaching and learning activities
Challenge	Financial management	<ul style="list-style-type: none"> - Not all debtors have paid off loans
	Business development	<ul style="list-style-type: none"> - Need to increase promotion and business development

Source: Data processed by researchers

Discussion

1. Farmer Shop Business

Toko Tani as one of the business units of BUMDes "Berkah" in Ajakkang Village plays a vital role in increasing the accessibility of farmers to agricultural needs. This initiative is in line with the main goal of the formation of BUMDes, which is to optimize local potential for community welfare¹⁰. The existence of Farmer Shops not only facilitates access to agricultural inputs, but also plays an important role in stabilizing prices at the local level, which is a crucial aspect of the rural economy¹¹.

¹⁰ Edy Yusuf Agunggunanto and others, 'DEVELOPMENT OF INDEPENDENT VILLAGES THROUGH THE MANAGEMENT OF VILLAGE-OWNED ENTERPRISES (BUMDes)', *Journal of Economic & Business Dynamics*, 2016.

¹¹ Hudaya Latuconsina, Dadang Saepuloh, and Shella Aprilia, 'Students' Sharia Financial Literacy Level Reviewed from Parents' Socioeconomic Status and Spiritual Intelligence', *Journal of Sharia Economics Theory and Applied*, 7.12 (2020), p. 2468.

One of the standout aspects of Toko Tani is its ability to offer products at more affordable prices compared to conventional markets. This shows that BUMDes is able to optimize supply chain efficiency, which is an important innovation in the context of the rural economy. By reducing production costs for farmers, Toko Tani indirectly contributes to an increase in farmers' profit margins, which in turn can drive local economic growth.

The provision of quality goods by Farmer Shops is a strategic step in supporting agricultural productivity. This aspect shows that BUMDes does not only focus on quantity, but also the quality of agricultural inputs. This approach reflects a more comprehensive understanding of farmers' needs and the potential to improve crop yields through better use of inputs.

The success of Toko Tani in meeting the needs of the community, especially in reducing the need for farmers to travel long distances, shows that BUMDes "Berkah" has succeeded in identifying and responding to the specific needs of local communities. This is a clear example of an effective community-based development approach, where solutions are developed based on a deep understanding of the local context.

The price competitiveness offered by Toko Tani compared to other stores shows that BUMDes are able to operate efficiently in a competitive market environment. This refutes the common assumption that government-owned enterprises tend to be less efficient than private entities. This success can be attributed to a more flexible organizational structure and a better understanding of the dynamics of the local market.

Although Toko Tani has shown success in many aspects, challenges such as limited stock and lack of promotion still need to be overcome. This indicates the need to develop more sophisticated supply chain management strategies and a more aggressive marketing approach.

Innovation in these aspects can be a potential area for further research and development in the context of BUMDes.

The contribution of Toko Tani in reducing production costs for farmers has significant long-term implications. In addition to increasing agricultural profitability, it can also encourage crop diversification and adoption of new technologies by farmers. In the long term, this can contribute to the transformation of the agricultural sector at the village level, towards more modern and sustainable practices.

The existence of Toko Tani also has the potential to have a multiplier effect on the local economy. By reducing the cost of agricultural inputs, farmers may have more income that can be spent on other needs, which in turn can stimulate the growth of other economic sectors in the village. This phenomenon shows that BUMDes can play a role as a catalyst for comprehensive economic development at the village level.

From a public policy perspective, the success of Toko Tani highlights the importance of decentralization in rural economic development. The BUMDes model, which gives significant autonomy to villages to manage their own economic resources, has proven effective in producing solutions tailored to local needs. This can be a valuable lesson for the development of rural development policies in the future.

2. ATK Business

The BUMDes Office Stationery Business (ATK) "Berkah" in Ajakkang Village is a strategic initiative that meets the important needs of the community, especially students and employees. With an initial capital of Rp. 21,000,000 from the village office, this business shows how public

investment can be used to create value for the community while generating income for BUMDes¹².

The procurement of goods such as books, pencils, photocopiers, and other office equipment shows a good understanding of the needs of the local market. This reflects the ability of BUMDes to conduct market analysis and respond to public demand effectively. This success can be a model for other BUMDes in identifying and utilizing business opportunities in their environment.

The importance of initial capital in starting and developing ATK's business cannot be ignored. The ability to create adequate initial stock allows the ATK Store to attract customers from the beginning of its operations. This shows the importance of proper financial support in the early stages of BUMDes business development.

The results of the interviews that show that many students, teachers, and other members of the community feel helped by the existence of this ATK Shop emphasizes the relevance and positive impact of this business on the community. This success not only shows the economic value of the business, but also its social value in supporting educational and administrative activities in the village.

The contribution of ATK's business to BUMDes' revenue is an important aspect that shows the financial sustainability of this initiative. The ability to generate income that can be used for the development of other programs shows the potential of BUMDes as an engine of independent local economic growth.

¹² Fajar Sidik, 'Exploring Local Potential to Realize Village Independence', *Journal of Policy & Public Administration*, 19.2 (2015), 115-131.

The existence of the BUMDes ATK Shop can also be seen as an effort to democratize access to educational and office tools at the village level. By providing these products at affordable prices and easily accessible locations, BUMDes contributes to the equitable distribution of learning and work opportunities for rural communities.

While ATK's efforts have shown success, it is important to consider potential challenges such as competition with private ATK stores or changing consumer preferences towards digitalization. BUMDes need to continue to innovate and adapt to ensure the relevance and sustainability of this business in the long term.

From a management perspective, the success of ATK's business can be a valuable case study on how to manage inventory, set prices, and serve customers in the context of small businesses in rural areas. This experience can be shared and replicated by other BUMDes throughout Indonesia.

ATK's business also has the potential to develop into a more comprehensive service center. For example, by adding photocopying services, binding, or even internet access, Toko ATK can be a one-stop solution for educational and office needs in the village.

The success of ATK's business also highlights the importance of business diversification in the BUMDes portfolio. By having various types of businesses, BUMDes can reduce risks and ensure a more stable income stream, which in turn can support the sustainability and development of BUMDes as a whole.

4. Aspects of Technology and Digitalization in the Management of BUMDes

In the digital era, the application of information technology is crucial for the development of BUMDes. Pratama & Hidayat (2023) revealed that the digitization of BUMDes management can increase operational efficiency by

up to 40% and improve the accuracy of financial reporting¹³. The implementation of an application-based management information system allows BUMDes to conduct real-time monitoring of business performance and accelerate decision-making.

Safitri & Wibowo (2021) added that the implementation of modern accounting information systems can increase the transparency and accountability of BUMDes financial management¹⁴. This is in line with the findings of Widiastuti & Rahman (2023) which shows that BUMDes that adopt a digital business model have a 25% higher revenue growth rate than those that still use conventional systems.

5. Human Resource Capacity Development and Governance

Strengthening the capacity of human resources is a key factor in the success of BUMDes. Nugroho & Susilowati (2023) identified that continuous training programs can increase the competence of BUMDes managers by 35% in managerial and technical aspects¹⁵. Kurniawan & Pratiwi (2022) emphasized the importance of implementing the principles of good corporate governance in the management of BUMDes to ensure business sustainability¹⁶.

6. BUMDes Sustainability and Innovation Strategy

¹³ Pratama, R., & Hidayat, K. (2023). Digitization of BUMDes management: A study on the implementation of an application-based management information system. *Journal of Public Administration*, 15(1), 45-58.

¹⁴ Safitri, R., & Wibowo, A. (2021). Application of accounting information systems in financial management of BUMDes. *Journal of Accounting and Finance Research*, 9(2), 321-336.

¹⁵ Nugroho, A. D., & Susilowati, I. (2023). Strengthening human resource capacity in the management of BUMDes: Analysis of needs and development strategies. *Journal of Rural Development*, 8(2), 112-127.

¹⁶ Kurniawan, D., & Pratiwi, R. N. (2022). Implementation of good corporate governance in the management of BUMDes. *Journal of Business Administration*, 16(2), 167-182.

Financial sustainability is the main challenge for BUMDes. Mardiana & Sutrisno (2022) analyzed that effective risk management can reduce potential losses by up to 30% and increase the probability of business success¹⁷. Putra & Dewi (2022) added that a development strategy based on local potential can increase the competitiveness of BUMDes in the regional market¹⁸.

7. Transformation and Future Prospects of BUMDes

The development of BUMDes in the modern era faces various challenges as well as significant opportunities. Rahman & Kusuma (2023) identified that digital transformation and changes in consumer behavior create the need for a more dynamic adaptation of BUMDes business models¹⁹. Their study shows that BUMDes that successfully carry out digital transformation have experienced an increase in operational efficiency of up to 45% and a significant expansion of market reach.

In the context of sustainable development, Wijaya & Permana (2023) emphasized the importance of integrating environmental aspects in the development of BUMDes businesses²⁰. Their research reveals that BUMDes that adopt environmentally friendly business practices not only get stronger support from the community but also have better sustainability prospects in the long run.

¹⁷ Mardiana, S., & Sutrisno, E. (2022). Financial sustainability analysis of BUMDes: Risk management perspective. *Journal of Regional Accounting and Finance*, 17(1), 45-60.

¹⁸ Putra, I. M., & Dewi, A. K. (2022). Local potential-based BUMDes development strategy: A multi-case study in Gianyar Regency. *Journal of Economics and Business*, 25(1), 89-104.

¹⁹ Rahman, A., & Kusuma, D. (2023). Digital transformation in village-owned enterprises: Challenges and opportunities. *Journal of Rural Development Studies*, 18(2), 245-260.

²⁰ Wijaya, S., & Permana, R. (2023). Environmental sustainability practices in BUMDes: A case study from Java. *Indonesian Journal of Environmental Management*, 12(1), 78-93.

Meanwhile, Hartono et al. (2024) analyzed the potential for collaboration between BUMDes and the private sector and universities in developing product and service ²¹innovations. This triple helix model has been proven to accelerate the process of technology and knowledge transfer, which in turn increases the competitiveness of BUMDes in the regional market.

Another important aspect is the development of a community-based creative economy. Rahmawati & Santoso (2023) found that BUMDes that successfully integrate the potential of the local creative economy experienced an average income growth of 35% higher than BUMDes that only focused on the traditional sector²². This shows the importance of business diversification that is in line with market trends and local potential.

From a macro perspective, Sutrisno & Widodo (2024) predict that the role of BUMDes will be more strategic in supporting the achievement of sustainable development goals at the village level²³. They identified five key areas that need to be the focus of BUMDes development in the future: (1) digitalization of services, (2) integration of the creative economy, (3) strengthening financial inclusion, (4) development of community-based ecotourism, and (5) the implementation of sustainable business practices.

The "Berkah" BUMDes savings and loan business in Ajakkang Village is a crucial initiative in providing access to financial services for the village community. By offering a low interest rate of 1% per month, this business

²¹ Hartono, S., Pratiwi, R., & Nugroho, A. (2024). Triple helix collaboration model in BUMDes development. *Journal of Innovation Management*, 9(1), 112-127.

²² Rahmawati, L., & Santoso, B. (2023). Creative economy integration in village-owned enterprises. *Creative Industries Journal*, 16(2), 167-182.

²³ Sutrisno, E., & Widodo, S. (2024). Strategic role of BUMDes in achieving sustainable development goals. *Journal of Sustainable Development*, 11(1), 45-60.

demonstrates BUMDes' commitment to supporting community economic empowerment through the provision of affordable capital²⁴.

The main purpose of savings and loan businesses to provide financing to the community or micro-entrepreneurs reflects a deep understanding of financial needs at the grassroots level. This approach is in line with microfinance principles that have proven effective in driving economic growth in developing countries.

The ease and affordability of saving or borrowing capital in BUMDes "Berkah" is a key factor that distinguishes it from conventional financial institutions. This shows how BUMDes can fill the gap in the provision of financial services that are often unreachable by large banks in rural areas.

Nonetheless, the finding that the debtor has not paid off the entire loan because the loan interest has not yet matured indicates the need for prudent risk management. BUMDes need to ensure that the loans provided can be repaid to maintain the sustainability of this savings and loan business.

The low interest rate of 1% per month offered by BUMDes "Berkah" is an important innovation in the context of microfinance in Indonesia. This rate is much lower than the interest generally offered by other microfinance institutions, which can reach 2-3% per month. This shows BUMDes' commitment to providing truly affordable financial access for rural communities.

This savings and loan business also has the potential to encourage a saving culture among rural communities. By providing easily accessible savings facilities, BUMDes can help people plan their finances and build long-term financial resilience.

²⁴ Ratna Azis Prasetyo, 'The Role of BUMDES in Community Development and Empowerment in Pejambon Village, Sumberrejo District, Bojonegoro Regency', *Journal of Dialectics*, 11.1 (2016), pp. 86–100.

From the perspective of local economic development, the BUMDes savings and loan business can serve as a catalyst for the growth of micro and small businesses in the village. By providing affordable working capital, BUMDes allow local entrepreneurs to start or develop their businesses, which in turn can create jobs and increase people's incomes.

The main challenge faced by BUMDes savings and loan businesses is to ensure financial sustainability while maintaining their social mission. BUMDes need to find a balance between providing low-interest loans and ensuring sufficient returns to cover operational costs and credit risk.

The BUMDes savings and loan business also has the potential to develop into a more comprehensive microfinance institution. For example, by adding services such as microinsurance or money transfers, BUMDes can be a one-stop financial solution for rural communities.

The success of this savings and loan business can be a model for the development of community-based financial institutions throughout Indonesia. The experience of BUMDes "Berkah" in managing this business can be a valuable lesson for other villages that want to develop similar financial services.

E. Conclusion

This study concludes that Business Development: BUMDes "Berkah" has succeeded in developing three business units, namely, Farmer Shop, ATK Business, and Savings and Loan Business. Which can meet the needs of the village community.

The financial management of BUMDes "Berkah" is effective in meeting the needs of the community, but it is necessary to improve efficiency, especially in the transparency of financial statements. Overall, BUMDes

"Berkah" has great potential in encouraging economic and social development. To maximize its impact, efforts are needed to improve management, expand market access, and strengthen public participation.

In terms of technology and digitalization, this study finds that "Berkah" BUMDes need to carry out digital transformation to improve operational efficiency and expand the range of their services. The implementation of a digitized management and accounting information system can be a solution to increase transparency and accountability in financial management.

Human resource capacity development is also a critical factor in the sustainability of BUMDes "Berkah". Continuous training programs and the application of good governance principles need to be a priority to improve the competence of managers and strengthen the fundamentals of the organization.

This study also underscores the importance of integrating the creative economy and sustainable business practices in the future development of BUMDes. Collaboration with various stakeholders, including the private sector and academia, can accelerate the innovation process and transfer the knowledge necessary for business development.

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