

# Collaboration Towards a Sustainable Village: The Role of Good Corporate Governance in Transforming Village-owned enterprise (BUMDes) of Surya Jaya Abadi Village

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## ABSTRACT

This study aims to explore collaboration towards sustainable villages through the role of good corporate governance (GCG) in Village-owned enterprise (BUMDes). The location of the study is Village-owned enterprise (BUMDes) Surya Jaya Abadi in Labanan Makarti Village. This study uses a qualitative approach with a case study method, as well as data collection techniques through interviews, observations, and triangulation. The informants involved are Village-owned enterprise (BUMDes) managers and representatives of the Village Consultative Body (BPD). The results of the study indicate that supporting factors that must be owned by Village-owned enterprise (BUMDes) are found in order to be sustainable towards Sustainable Village through the role of GCG principles. Factors to achieve sustainable Village-owned enterprise (BUMDes) are: management commitment in Village-owned enterprise (BUMDes) governance, human resource development, sustainable economic development, community empowerment and social involvement, sustainable environmental management, strategic partnerships and collaborations, and Village-owned enterprise (BUMDes) school development. The role of GCG is

accountability, transparency, responsibility, cooperativeness, fairness, and independence. The contribution of this study is that by having supporting factors for sustainable Village-owned enterprise (BUMDes) through the implementation of GCG, it can improve the status of Village-owned enterprise (BUMDes) towards sustainable villages, and become a benchmark for other Village-owned enterprise (BUMDes) in Berau Regency and other regions.

**Keywords:** Village-Owned Enterprises; sustainable village, good corporate governance; benchmarking

## INTRODUCTION

Village-Owned Enterprises (Village-owned enterprise (BUMDes)) have a strategic role as a supporter of the village economy in supporting the acceleration of achieving sustainable development goals (SDGs) for the Village as regulated in Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration No. 8 of 2022 concerning the Priorities for Village Fund Usage in 2023 (Permendesa PDTT). The priority of using village funds is directed towards national economic recovery which includes the establishment, development, and increasing the

management capacity of Village-owned enterprise (BUMDes) (Elfrida, et al., 2022). The implementation of Law Number 6 of 2014 concerning Villages makes Village-Owned Enterprises (BUMDes) the driving force of the village economy, opening up opportunities for villages in Indonesia to develop local potential independently (Izzah & Kolopaking, 2020). Through BUMDes, villages are able to increase Village Original Income (PAD), create jobs, and empower local communities for the welfare and independence of the village (Dewi, 2014). By 2023, 71.9% of villages in Indonesia have established BUMDes (Kemendesa PDPT, 2023), but most still face obstacles, such as inappropriate business mapping (Pratiwi et al., 2022) and limited management capacity (Nugroho, 2020). Data from the Berau Regency Village Community Empowerment Service (2017–2023) recorded the total capital participation of Village-owned enterprise (BUMDes) of IDR 24.5 billion, but the contribution to PAD only reached 5%, which is IDR 1.3 billion per year. Of the 99 Village-owned enterprise (BUMDes), only 65 are active, while 34 others are inactive. Around 49.53% of Village-owned enterprise (BUMDes) have not prepared accountability reports, even though this is a GCG principle mandated by PP No. 11 of 2021. In addition, the development of Village-owned enterprise (BUMDes) is still low, with 53.5% having pioneer status, 37.3% beginners, 7.2% developing, and only 2% advanced (Eva, 2022).

Seeing these conditions shows the need to improve Village-owned enterprise (BUMDes) governance through the application of GCG principles that can increase organizational value and performance (Maulana, 2022). The implementation of good corporate governance in Village-owned enterprise (BUMDes) is still relatively low, so a study is needed to capture the governance of Village-owned enterprise (BUMDes) (Widiastuti et al., 2019). If Village-owned enterprise (BUMDes) governance is

implemented correctly, it will achieve equity and village economic growth. (Yuliana & Alinsari, 2022). In addition, the benefits of optimizing the principles of Village-owned enterprise (BUMDes) governance are for sustainable villages, namely related to institutional aspects, aspects of clarity of the role of Village-owned enterprise (BUMDes), the role of local institutions in establishing partnerships, and the role of local institutions as drivers of community-based development.

This study is related to the implementation of Good Corporate Governance (GCG) in improving the status of Village-owned enterprise (BUMDes) towards a sustainable village. With a case study of Village-owned enterprise (BUMDes) Surya Jaya Abadi, which has achieved "advanced" status in Berau Regency, this study aims to analyze the implementation of GCG according to PP No. 11 of 2021 as a benchmark for other Village-owned enterprise (BUMDes). The proper implementation of GCG is expected to improve the performance of Village-owned enterprise (BUMDes), optimize the use of local resources, and support sustainable village economic development and community welfare.

## **LITERATURE REVIEW**

The concept of sustainable villages emerged from the global movement of sustainable development, influenced by the objectives of the Sustainable Development Goals (SDGs) launched by the UN in 2015 for social, economic, and environmental welfare (Jaya, 2004). Sustainable villages include three main aspects: Environment, namely Efficient management of natural resources, application of renewable energy, and effective waste management systems; Social, namely Community empowerment, improving welfare through access to basic services, and social justice for all citizens; Economy, namely Inclusive economic development, diversification of income sources, and transparent and efficient financial management. This concept

supports village resilience holistically, by paying attention to sustainability in every aspect of development. Village-owned enterprise (BUMDes), according to Law No. 6 of 2014, is a business entity managed by the village with capital from village assets, aiming to improve the welfare of village communities and prevent the development of a capitalist business system in rural areas. Village-Owned Enterprises (Village-owned enterprise (BUMDes)) are established based on the needs, potential, and capacity of the village to accommodate economic activities and public services managed by the village or cooperation between villages (Winisudo & Sadewo, 2021; Nugroho, 2020). PP No. 11 of 2021 regulates Village-Owned Enterprises (Village-owned enterprise (BUMDes)) with detailed provisions to ensure good, transparent, and accountable governance. PP No. 11 of 2021 as a guideline in improving the status of Village-owned enterprise (BUMDes). Good Corporate Governance (GCG) aims to create added value for stakeholders through effective relationships between management, the board of commissioners, and shareholders, as well as ensuring efficient and structured resource management to achieve corporate goals with the principles of transparency, security, and trust (Wulandari, 2019; Damanik & Ningsih, 2017; Zarkasyi, 2008; Sari, 2013; Widiastuti et al., 2019; Pintea, 2020).

Stakeholder theory explains the parties to whom the entity is responsible (Freeman & Dmytriiev, 2017). All stakeholders have the right to obtain information that influences the entity's decision-making. Not only entities that operate for profit, but also all interested parties. Stakeholders play an important role in influencing entity decisions and the use of economic information, so entities need to manage their influence.

Stakeholders are one of the parties who feel the most impact of an entity, so the entity must build good relationships with stakeholders. Strong relationships with stakeholders are based on trust, respect, and

cooperation. So that the entity's relationship with stakeholders can continue to grow and achieve competitive advantage.

## **MATERIALS & METHODS**

This study uses a qualitative approach to understand collaboration towards sustainable villages through the role of good corporate governance with a descriptive case study method from Creswell (2014). Data were obtained through observation, interviews, documents, and audiovisual materials. The researcher involved six informants who were selected based on their job variations and capacity in providing information. The informants are pioneers in the formation and development of Village-owned enterprise (BUMDes), so they are expected to have a deep understanding of Village-owned enterprise (BUMDes) management. The research location is in Labanan Makarti Village, Teluk Bayur District, at Village-owned enterprise (BUMDes) Surya Jaya Abadi.

## **RESULT AND DISCUSSION**

Village-owned enterprise (BUMDes) Surya Jaya Abadi, established based on Labanan Makarti Village Regulation No. 4 of 2018, is a new economic force in Labanan Makarti Village. With the legal basis of Law No. 6 of 2014 and PP No. 11 of 2021, this Village-owned enterprise (BUMDes) manages local potential collectively to improve the welfare of residents. Carrying the spirit of independence and mutual cooperation with business units including: laying hen farms, batik houses, chocolate houses, and Village-owned enterprise (BUMDes) schools. Each business unit is developed to support the village economy, located on Jalan Ir. Sukarno RT. 05, Teluk Bayur District, Berau Regency. The vision of Village-owned enterprise (BUMDes) Surya Jaya Abadi is to realize an independent community economic institution to serve the needs of residents, in line with the goal of being an extension of the village government in improving community welfare. To achieve this vision,

the missions carried out include: 1) Supporting local investment and development of village potential; 2) Increasing community capacity in managing the village economy; 3) Encouraging productive businesses for low-income communities; 4) Opening up business opportunities and employment; 5) Increase village original income. Based on the results of interviews, observations, and triangulation at Village-owned enterprise (BUMDes) Surya Jaya Abadi, factors were found that Village-owned enterprise (BUMDes) must have in order to be sustainable and in line with the role of the principles of Good Corporate Governance (GCG) found, namely accountability, transparency, responsibility, cooperation, justice, and independence. So that Village-owned enterprise (BUMDes) is able to improve the status of Village-owned enterprise (BUMDes) according to PP No. 11 of 2021, the direction of which will later be towards a sustainable village.

### **Supporting elements towards sustainable villages through the role of Village-owned enterprise (BUMDes)**

#### ***Village-Owned Enterprises Governance***

Sustainable village is supported by Village-owned enterprise (BUMDes) financial management with planning according to needs, recording all transactions accurately, and making periodic financial reports. In addition, the audit process must be carried out by ensuring transparency and accountability in financial management. As conveyed by Mr. DN as the secretary of Village-owned enterprise (BUMDes).

"In order for bumdes to be sustainable, bumdes surya jaya abadi makes financial arrangements from a realistic budget according to needs, bookkeeping is recorded with all transactions, openings are reported periodically and must be audited to maintain transparency." (DN)

In addition, commitment arises because of the compliance of the management with the regulations set by the Central and Regional

Governments, as conveyed by Mr. MD as the supervisor.

"Here, what we actually do is the village head's job is to implement the results of the decision. Well, that's what we do. Not later there is a decision, we change it. I change it for example, just because I am the village head, I dare to change it, no. So, I run what the regulation must prioritize deliberation. Well, the highest decision in the village deliberation, the village deliberation is what we do. That's what we do." (MD)

MD emphasized that the role of the village head is as the implementer of decisions made through the village deliberation (MUSDES) process, where the village head does not have the authority to change the decision unilaterally. MD emphasized the importance of respecting the results of the deliberation as a form of the highest decision-making at the village level, and ensuring that every action taken is always based on the regulations that have been agreed upon in the deliberation.

"The advisor's job is if there is a problem in the BUMDes, to find a way out. Find a way out of how "BUMDes remains stable and runs well because that is our main task. And what we channel to BUMDes, the capital assistance, we must maintain. Because it is for the benefit of the community where the funds are disbursed." (MD)

Advisors have the responsibility to ensure that the capital assistance channeled to BUMDes is used optimally for the benefit of the community who receive the benefits of the funds. In addition to providing direction, advisors also play an active role in encouraging regular quarterly meetings to monitor BUMDes performance.

#### ***Sustainable Village in the economy***

The development of Village-owned enterprise (BUMDes) business aims to expand the business scale and increase product recognition. Collaboration with PT Berau Coal is utilized to improve product quality, especially packaging, in order to increase competitiveness. Creative marketing strategies through inclusive

spaces such as the Al-Fadillah Library also support wider market access. With collaborative management involving eleven people, this business is expected to continue to grow, create jobs, and improve the welfare of the village community, thus supporting the sustainability of an inclusive and sustainable economy.

From the interview results, the Head of Rumah Batik said: "I want the business to get bigger. And be better known. Yesterday I was offered by PT. Berau Coal, to improve the packaging first. I was told to prepare a proposal so that I could store the product in the packaging house there." (BT)

In addition, it was also conveyed regarding marketing: "Marketing through the Al-Fadillah library, because it is also included in inclusion. Management is also already there with eleven people, working together, when it is big, bismillah hopefully more people will be added so that it can absorb the workforce" (BT).

Village-owned enterprise (BUMDes) acts as an umbrella for economic activities in Makarti Village, by integrating various business sectors to create added value for the community. Activities such as chocolate processing involving mothers, batik production, and purchasing corn harvests from local farmers are real forms of community empowerment. Through this synergy, Village-owned enterprise (BUMDes) not only improves economic welfare, but also encourages the independence and sustainability of the village economy. Delivered by Mr. Ilyas from the BPD Management: "The existence of Village-owned enterprise (BUMDes) is an umbrella for economic activities in Makarti, with chocolate processing activities involving mothers, then batik making, then the presence of corn farmers whose results will later be purchased, that is also added value that can be given to the community." (IL)

As part of Village-owned enterprise (BUMDes) Surya Jaya Abadi's commitment to support village economic growth without harming local business actors, the Head of

Labanan Makarti Village, also as an Advisor, advised the BUMDes management to start a business that does not compete directly or harm existing businesses in the village. The business that is run must be designed in such a way as to provide added value and benefits without closing or damaging business opportunities for local residents. "Only from us, if you want to start a business, my suggestion to the BUMDes management is that at the beginning you can start a business but you can't kill the businesses of people in the village or in the countryside. Well, our suggestion from the village government is to create a business that doesn't kill the residents' businesses." (MD)

#### ***Human Resources Development (HRD)***

Regeneration of Human Resources (HR) in Village-owned enterprise (BUMDes) Surya Jaya Abadi, by involving the young generation who have just graduated, is a key strategy to strengthen the management team and ensure the sustainability of the organization. Through talent development and continuous training, Village-owned enterprise (BUMDes) not only renews competencies, but also creates new income opportunities, supports the vision and mission of the village government, and maintains the sustainability of the village economy.

Deep understanding of Village-owned enterprise (BUMDes) management. This understanding comes from the coaching received and the training attended. As conveyed by DN. "Yes. Every time there is training, we adjust it to the theme of the material. For example, financial training, the treasurer and secretary go. For example, what other training is that, well, if ToT is the instructor training, it's all of us."

The researcher asked what fields the training was related to, then answered by Mr. DN: "Yes, so it covers each field. Like for institutions, advocacy, and finance, that's me. Later there will be Mrs. Darti, she focuses on this treasurer section, because the material on finance is her section. Then

Mr. Suardi for livestock specifically in his livestock production activities. If Mr. Trimo is in the construction section, so that means consultants for construction such as cages, warehouses, yes, basically the construction section in the livestock sector is Mr. Trimo's section" (DN).

Training to increase the capacity of BUMDes administrators. Each administrator is assigned to attend training according to their area of responsibility, such as the treasurer and secretary who attend financial training. In the Training of Trainers (ToT) training, the entire team participates so that they are able to become instructors in their respective fields. This division of tasks ensures that each member has specific expertise to support BUMDes activities optimally. "Yes. Every time there is training, we adjust it to the theme and material. For example, in financial training, the treasurer and secretary go. For example, if there is another training, well, if the ToT is instructor training, it's all of us" (DN).

This emphasizes that each training that is attended is adjusted to the theme and material discussed, so that relevant administrators are assigned to attend. For example, in financial training, the treasurer and secretary participate because the material is related to their duties. However, if the training is in the form of a Training of Trainers (ToT), the entire team participates to strengthen their capacity to become instructors in their respective fields

### ***Community Empowerment and Social Engagement***

Collaboration with corn farmers, Rumah Coklat Kulanta and Rumah Batik Makarti Sawit Berkait are real examples of community empowerment and social involvement in Labanan Makarti Village. Their presence opens up new economic opportunities for the community, especially for housewives who now have additional sources of income. In addition, the batik house also strengthens the local economy while preserving traditional arts and crafts as the nation's cultural heritage, showing

how social collaboration can have a positive sustainable impact.

As conveyed by Mr. Ilyas as the Village Consultative Body: "The empowerment of the chocolate house which involves mothers in processing chocolate into various food products, also the involvement of mothers in the context of batik which then becomes one part of the Village-owned enterprise (BUMDes) unit, meaning that we consider that the role of Village-owned enterprise (BUMDes) in the social context of society by involving the community" (IL).

Village-owned enterprise (BUMDes) is committed to collaborating with community groups, such as farmer groups, to meet operational needs while encouraging local empowerment. Through this facilitation and synergy, Village-owned enterprise (BUMDes) not only creates a mutually supportive economic ecosystem, but also strengthens the independence of village communities. "We always try to establish cooperation with community groups to meet the needs of Village-owned enterprise (BUMDes). Like corn, we try to facilitate farmer groups."

Village-owned enterprise (BUMDes) Surya Jaya Abadi also develops a Village-owned enterprise (BUMDes) School to function as a center for increasing community capacity through training and internship programs. This initiative strengthens local business management, expands networks, and creates opportunities for strategic cooperation, so that it becomes a supporting factor for sustainable Village-owned enterprise (BUMDes) so that it can later lead to sustainable village development in Labanan Makarti. Conveyed by DN: "This Village-owned enterprise (BUMDes) School covers this, transferring knowledge, both to local residents or outsiders who want to know about what we have done at Village-owned enterprise (BUMDes). So far, our Village-owned enterprise (BUMDes) has the predicate of Village-owned enterprise (BUMDes) Good, for the district, province, and even national levels. Many people visit, like that. We make it a learning or training

activity package, it can be an additional business unit, BUM Des can also get profit through the sale of the knowledge transfer, training activities" (DN).

### **Sustainable Environmental Management**

The development of Village-owned enterprise (BUMDes) also maintains the surrounding environment, for example, managing livestock waste as fertilizer and managing waste from making batik cloth through related consultants. This is what Village-owned enterprise (BUMDes) Surya Jaya Abadi does to maintain the principle of sustainability or the sustainability of its business institution.

"We have created an IPAL or special place for waste disposal" (DN).

"For laying hen waste, it is in the form of waste that has economic value and is managed by experienced officers so that it does not disturb the community" (IL). Village-owned enterprise (BUMDes) Surya Jaya Abadi also maintains environmental sustainability by managing waste, such as using livestock waste as fertilizer and managing batik waste with the help of PT. Berau Coal. This approach reflects a commitment to environmental sustainability and social responsibility.

### **Strategic Partnership and Collaboration**

Village-owned enterprise (BUMDes) prioritizes cross-sector collaboration to strengthen the management and development of village businesses. Cooperation with the prosecutor's office provides legal advocacy support, while technical guidance is carried out by related agencies, such as the Animal Husbandry Service, and third parties such as PT Berau Coal which actively supports various initiatives, including the development of chocolate businesses.

"We cooperate with the prosecutor's office to cover us in the field of legal advocacy. The Department of Animal Husbandry is more about coaching, but rarely, if often coaching from Berau Coal." (DN).

"Coaching often comes from Berau Coal. Well, like the development of the chocolate business, there is also intervention from Berau Coal. Then if the Village-Owned Enterprises often get motivation from the Yogyakarta Village-Owned Enterprises" (TM).

The Surya Jaya Abadi Village-Owned Enterprises continues to grow thanks to the support of coaching from various parties, such as PT Berau Coal which contributes to the development of the chocolate business, as well as motivation and inspiration from the Village-Owned Enterprises in Yogyakarta as a model of success. "Usually in meetings attended by all stakeholders in the Village, from the BPD, figures, and the community. There they are then invited to what they want to do in the future" (IL).

The meeting attended by all village stakeholders, including the BPD, community figures, and residents, is a strategic forum to determine the direction and policies of the village going forward. In this forum, all parties are given the opportunity to convey their views, suggestions, and aspirations. Through open and participatory discussions, joint decisions can be taken as a basis for formulating strategic steps that support sustainable and inclusive village development.

"I see Village-owned enterprise (BUMDes) as one of Berau Coal's fostered entities. Collaboration with third parties in this case Berau Coal fully supports Village-owned enterprise (BUMDes) activities in advancing the business sector. The other day I also received an injection of funds from Bank BRI, which I appreciate from financial services parties" (IL).

### **The Role of Good Corporate Governance (GCG) in Village-Owned Enterprises**

The principles of Good Corporate Governance (GCG) such as accountability, transparency, responsibility, cooperation, fairness, and independence have a role in collaboration towards a sustainable village.

### **The Role of Accountability in the Management of Village-Owned Enterprises**

The accountability of Surya Jaya Abadi Village-Owned Enterprises includes accountability for public funds and law. Public funds are managed through needs analysis, socialization, capital proposals, and ratification at village meetings, in accordance with regulations. Funds are channeled through special accounts to support business operations and development, with transparent reporting using the Kledo application and implementation of SOPs. Village meetings are the highest forum for planning, evaluation, and decision-making, involving all stakeholders. The work plan includes strengthening management, increasing revenue, developing business units, training administrators, and digitalizing products and services. Annual evaluations ensure accountability and sustainability according to the principles of stakeholder theory.

### **Implementation of Transparency Principles Towards Sustainable Village**

Village-owned enterprise (BUMDes) Surya Jaya Abadi applies the principle of openness through budget transparency and reporting, including the use of funds, decision-making, and business results. Quarterly meetings are held to ensure openness and involve the community in supervision, supporting trust-based relationships and cooperation according to stakeholder theory. The Kledo application is used for transparency of financial reports submitted in the annual village deliberation. Village Original Income (PAD) is allocated for development, assistance, and social activities, including 2.5% of annual profits for social funds according to the Articles of Association/Bylaws. Although some business units still record manually, this initiative reflects a commitment to accountability, supporting sustainable economic and social development, and improving community welfare.

### **Principle of Responsibility in Village-owned enterprise (BUMDes) Management**

Village-owned enterprise (BUMDes) Surya Jaya Abadi has demonstrated a strong commitment to the principle of social responsibility and compliance with applicable regulations, as reflected in the implementation of the Articles of Association and Bylaws (AD/ART). Every step taken by the Village-owned enterprise (BUMDes) management, from capital participation to profit sharing, is always based on clear and transparent regulations. For example, profit sharing is carried out according to the percentage stipulated in the Articles of Association, ensuring fairness for all parties involved. In addition, Village-owned enterprise (BUMDes) also contributes directly to the community through social funds allocated annually, which amount to 2.5% of business profits. The use of these funds is not only for social assistance such as providing compensation or emergency assistance, but also for programs that support community development and welfare. By conducting careful analysis before making capital investments, as well as maintaining transparency in fund management, Village-owned enterprise (BUMDes) Surya Jaya Abadi has succeeded in meeting stakeholder expectations and ensuring that the economic benefits obtained can be felt by all members of the community, in line with the principles of stakeholder theory which emphasizes the importance of responsibility towards all interested parties.

### **The Role of Cooperative Principles Towards Sustainable Village**

Village-owned enterprise (BUMDes) Surya Jaya Abadi prioritizes collaboration with various stakeholders to support the sustainability of its business units. Solid internal cooperation is reflected in the independent processing of feed using local raw materials, despite facing challenges such as fluctuations in material prices. The management overcomes this with good



coordination, such as adjusting the composition of feed when bran is scarce. The selling price of eggs is determined through deliberation with the association of laying hen farmers in Berau, ensuring prices are in accordance with the market. External cooperation involves the village government, community, and farmer groups to ensure the availability of raw materials, capital participation, training, and livestock development. Village-owned enterprise (BUMDes) also actively collaborates with companies through CSR programs to accelerate growth, expand marketing networks, and improve village welfare. Strategic partnerships with other Village-owned enterprise (BUMDes) are carried out to strengthen the village economy, with plans to develop a chocolate tourism garden and a new chicken coop as part of environmental governance. Strategic decisions are made together with all stakeholders, affirming commitment to the principles of sustainable villages and creating a sense of shared ownership.

5. Upholding the Principle of Fairness in Village-Owned Enterprise Governance. Village-Owned Enterprise Surya Jaya Abadi emphasizes the importance of fairness in every aspect of management and operations, including in the distribution of profits, providing opportunities, and decision-making, where every member of the community, employee, and stakeholder is treated equally and without discrimination, and decisions taken always consider common interests, so that a transparent, inclusive, and trustworthy business environment is created, which supports the achievement of sustainable and equitable village development goals. There are 2 (two) fairnesses, namely: providing equal opportunities and receiving equal treatment.

Village-Owned Enterprise Surya Jaya Abadi demonstrates its commitment to the principle of fairness by ensuring that decision-making is carried out fairly, participatively, and without discrimination. The deliberation process involves the community, government, and business

partners, in accordance with Article 4 of PP No. 11 of 2021, which emphasizes the importance of active participation from all parties. This approach creates a sense of ownership, strengthens trust, and supports village development that

### **The Concept of Independence in Village-Owned Enterprises**

Village-Owned Enterprise Surya Jaya Abadi demonstrates a strong commitment to the principle of operational independence by developing strategies from upstream to downstream in the laying hen farming business. Upstream, Village-owned enterprise (BUMDes) seeks to reduce dependence on manufactured feed by processing feed independently, which not only meets internal needs but also sells it to the surrounding community. On the production side, increasing the chicken population and cage capacity is carried out in a planned manner, strengthening competitiveness and operational capacity. Downstream, Village-owned enterprise (BUMDes) has succeeded in developing a wide marketing network, both at the district and inter-provincial levels, ensuring a large market for their egg products. All of these efforts prove that Village-owned enterprise (BUMDes) Surya Jaya Abadi is able to carry out its operational activities independently, efficiently, and sustainably, without any interference from outside parties that can disrupt smooth operations, reflecting strong independence in managing the business and advancing community welfare.

### **CONCLUSION**

Collaboration towards a sustainable village through Village-owned enterprise (BUMDes) is supported by transparent and accountable financial management, as well as good governance based on a commitment to integrity and social awareness. A strong economic foundation is needed through the development of productive and innovative businesses that increase PAD and create jobs. In addition, community empowerment,

skills training, and active participation in decision-making are the keys to social welfare. For long-term sustainability, environmentally friendly natural resource management, conservation, and sustainable technology are essential to maintain the village ecosystem.

The role of Good Corporate Governance (GCG) principles that include accountability, transparency, responsibility, cooperation, justice, and independence, will strengthen the institutional and operational aspects of Village-owned enterprise (BUMDes) Surya Jaya Abadi. This will support the improvement of the status of Village-owned enterprise (BUMDes) to contribute to the creation of a sustainable village.

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