

Business Management of Village-Owned Enterprises: A Case Study of a BUMDesa in Bali

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ABSTRACT

The purpose of this study is first to describe the management practices of Village-Owned Enterprises (BUMDesa) in running business units in the fields of agriculture and waste management through waste banks. Second, to identify the main challenges faced by BUMDesa in terms of business planning, accountability, and human resource management. Third, to formulate strategies to strengthen contextual and sustainable BUMDesa management, especially in the management of agricultural-based business units and waste processing businesses. The study was conducted at BUMDesa Asta Dharma, Sembung Gede Village. The research method is descriptive qualitative. The results of the study indicate that BUMDesa management has implemented good corporate governance, which applies the principles of transparency, accountability, efficiency, and participation. Transparency includes aspects of business activity planning, financial management, and performance reporting to the entire community. Accountability can be seen in financial accountability. Efficiency starts from the preparation of the work budget, implementation of activities, to the follow-up of the business process. Participation is carried out with the community as the subject, not the object involved in each business cycle. This encourages participation to become the main strategy in strengthening the resilience, inclusiveness, and desire of BUMDesa Asta Dharma.

Keywords: Accountability; Agriculture; BUMDesa; Good Corporate Governance; Human Resource Management; Village-Owned Enterprises; Waste Management

INTRODUCTION

Village development is not only directed at improving physical infrastructure, but also at strengthening sustainable community economic institutions. Village community economic development is the main thing, and the role of Village-Owned Enterprises (*Badan Usaha Milik Desa* or BUMDesa) is an important instrument in encouraging village independence, especially in managing unique local potential (Ridhowati, 2024). In Bali Province, which has strong natural wealth, culture, and customs, the role of BUMDesa is very strategic, especially when directed at leading sectors such as agriculture and community-based waste management (waste banks).

A number of BUMDesa in Bali have shown positive and adaptive business activities to the needs of the community, especially in the agricultural sector, which is the main supporter of the village economy (Sinarwati et al., 2023). Other business activities have also begun to be developed, namely the management of waste banks that are relevant to environmental issues. The role of BUMDesa in waste management is highly expected by the government in maintaining environmental cleanliness and sustainability (Reni & Prasetyo, 2025). In addition to being able to maintain cleanliness, especially in each village, waste bank businesses can also improve the village economy by utilizing waste into products with economic value (Rachman et al., 2021). This significant development of BUMDesa also faces various managerial obstacles, which ultimately have an impact on the effectiveness and sustainability of the business.

The problems in managing BUMDesa businesses that often occur are weak business planning and management systems, minimal BUMDesa organizational structures, and low management capacity in aspects of entrepreneurship and financial management (Ghofar et al., 2022). In the agricultural sector businesses, the challenges lie in aspects of product downstreaming, marketing, and partnerships with the private sector. Meanwhile, in the waste bank business unit, problems arise in the process of sorting plastic waste by the community, educating the community about the concern for waste, and the sustainability of the business model being run.

On the other hand, the optimization of the spirit of community participation is often not well established, so that the existence of BUMDesa has not fully become the common property of the village community (Maryunani, 2023). In some cases, business activity initiatives are carried out without going through adequate feasibility analysis and are not based on market data, competition levels, and long-term business strategies. This shows that BUMDesa management has not been managed professionally, which is fully oriented towards the principles of good governance, such as transparency, accountability, responsibility, effectiveness, and participation (Kholmi, 2020).

Balinese people live in two villages, namely customary villages and administrative villages that are side by side, presenting their own challenges in business management and institutional governance, including in terms of division of authority, asset ownership, and social legitimacy of BUMDesa's business activities (Sari & Prameswari, 2022). This condition further strengthens the need for in-depth research related to BUMDesa management in Bali, particularly those with primary business activities focused on the agricultural and waste management sectors. Research is important in identifying managerial challenges faced by BUMDesa, as well as being the basis for formulating relevant, contextual, and sustainable business management strategies following the social, cultural, customary, and local economic characteristics in Bali.

The research was conducted at BUMDesa Asta Dharma, Sembung Gede Village, Tabanan Regency. BUMDesa Asta Dharma was established in 2018, and it started a savings and loan business. Along with the development of the economy, BUMDesa started a business in the agricultural sector and in 2021, carried out a business in the waste management sector. BUMDesa's business experienced ups and downs, especially the problem of managing the new business areas that were developed. The manager's understanding of the agricultural sector and waste management is very important because this is one of the main sources of income after the expansion of the business unit.

Based on this background, the objectives of this study are threefold. First, it aims to describe the management practices of BUMDesa in operating business units in the agricultural and waste management sectors. Second, it seeks to identify the core challenges faced by BUMDesa related to institutional structure, business planning, accountability mechanisms, and human resource capacity. Third, it intends to formulate context-sensitive and sustainable strategies for improving BUMDesa management, particularly in agriculture-based and waste processing enterprises. The significance of this research lies in its contribution to bridging the gap between policy aspirations and field-level realities. It offers practical insights for village governments, policymakers, and BUMDesa stakeholders. The novelty of this study lies in its specific focus on the intersection of local economic management and traditional governance structures in Bali, providing a culturally grounded framework for enhancing the professionalism and sustainability of BUMDesa business practices.

LITERATURE REVIEW

BUMDesa Management

BUMDesa is a village-owned enterprise conceptualized as a rural economic institution established and managed by the village government in collaboration with the local community. Its primary purpose is to enhance village income and promote the general welfare of rural residents (Pradana & Fitriyanti, 2019). Functioning as a vehicle for community-based economic empowerment, BUMDesa is grounded in principles of participatory development and local autonomy. Effective management of BUMDesa, as discussed by Mere et al. (2024), is influenced by several interrelated factors, including the presence of a clearly defined organizational structure, transparent governance mechanisms, capable and professional human resources, strong community involvement, and regulatory support from local government authorities. These elements collectively contribute to the operational effectiveness and long-term sustainability of BUMDesa initiatives.

From a strategic management perspective, BUMDesa should ideally implement the core functions of planning, organizing, executing, and monitoring business activities to ensure optimal performance and responsiveness to local economic dynamics (Mintzberg, 2007). However, despite the conceptual strength of the BUMDesa model, empirical evidence reveals ongoing challenges in its practical implementation. Studies by Widyastuti and Kusumawati (2024) show that many BUMDesa have yet to adopt professional managerial practices, particularly in critical areas such as business planning and financial recording. These managerial shortcomings not only undermine operational efficiency but also pose significant risks to the sustainability and scalability of BUMDesa as engines of local economic development. Addressing these issues requires a comprehensive approach that emphasizes capacity-building, institutional support, and active collaboration between village governments and community stakeholders.

BUMDesa and Agricultural Business Development

Agriculture represents a sector with significant potential for development through BUMDesa, particularly because the majority of rural populations rely on agricultural activities as their primary source of livelihood (Amerieska et al., 2021). Given its close connection to the rural economy, BUMDesa is well-positioned to play a strategic role in advancing agricultural enterprises. However, the development of agricultural businesses at the village level faces numerous persistent challenges. These include limited access to capital, inefficient post-harvest distribution systems, and a lack of innovation in both product processing and marketing strategies. These barriers often prevent rural farmers from fully realizing the economic value of their agricultural outputs and contribute to a continued dependence on exploitative middlemen.

Research by Habib and Kiswanto (2024) highlights the potential of BUMDesa to function as an agricultural product aggregator, a role that significantly enhances farmers' bargaining power in the marketplace while reducing the influence of intermediaries. By coordinating the collection, processing, and distribution of agricultural goods, BUMDesa can help streamline the supply chain and improve market access for smallholder farmers. Moreover, BUMDesa can extend its involvement across various stages of the agricultural value chain, from the provision of essential production inputs to the organized distribution of harvested products. This end-to-end engagement fosters greater control over pricing and ensures that economic benefits are more equitably distributed among local producers.

In addition, Kartikasari et al. (2024) emphasize the importance of integrating information systems and embracing digitalization as key strategies for enhancing BUMDesa's management capacity in agricultural business development. Digital tools enable more accurate monitoring of stock levels, market demand, and price fluctuations, thus supporting more efficient, responsive, and transparent decision-making processes. The application of technology not only modernizes rural agricultural operations but also strengthens BUMDesa's institutional capacity to serve as a reliable and innovative partner in rural economic transformation.

BUMDesa in Village-Based Waste Management

Waste management has emerged as a strategic concern in rural areas due to its direct implications for public health, environmental sustainability, and overall quality of life. In this context, BUMDesa holds significant potential to contribute to village-based waste management through the development of circular economy-oriented business units. These include initiatives such as waste banks, composting programs, and the transformation of plastic waste into products with economic value (Lestari et al., 2024). By leveraging local resources and community participation, BUMDesa can not only reduce environmental degradation but also create new sources of income for villagers. Empirical evidence supports the effectiveness of BUMDesa-led waste management programs. A study by Nugrahaningsih et al. (2022) found that villages with active BUMDesa involvement in waste processing reported a reduction of up to 40% in the volume of waste sent to landfills. At the same time, these initiatives stimulated economic benefits by generating income through recycling activities, thereby reinforcing the economic-environmental synergy envisioned in sustainable rural development.

However, the success of such programs is not solely dependent on the operational role of BUMDesa. As highlighted by Sofyani et al. (2019), sustained community education and engagement are crucial to ensuring the effectiveness and longevity of village waste management initiatives. In addition, collaboration with private sector actors and environmental organizations can enhance technical capacity, access to markets, and innovation in waste processing. Therefore, BUMDesa's role in waste management must

be supported by a broader ecosystem of education, participation, and partnership to fully realize its potential in advancing both environmental and socio-economic goals at the village level.

Village Economic Institutions and Good Governance

Within the framework of institutional theory, [Scott \(2001\)](#) highlights the central role of norms, formal rules, and social systems in shaping organizational behavior and legitimacy. As a village economic institution, BUMDesa must navigate and adapt to these institutional dynamics, particularly those rooted in the unique sociocultural context of rural communities. This includes managing its relationships with traditional village authorities, securing social legitimacy, and aligning leadership practices with local values and expectations ([Hubeis et al., 2019](#)). These institutional dimensions play a critical role in determining how BUMDesa operates and how it is perceived by the community it serves.

In line with this, the principles of good governance, as outlined by the United Nations Development Programme ([UNDP, 1997](#)), are essential for evaluating the quality and effectiveness of BUMDesa management. Core elements such as transparency, accountability, participation, responsiveness, and the rule of law are not only indicators of sound governance but also prerequisites for institutional trust and operational sustainability. [Yuliastuti and Tandio \(2020\)](#) emphasize that these governance principles should be internalized at every level of BUMDesa's organizational structure to ensure ethical practices and inclusive development outcomes.

Empirical findings further reinforce the value of good governance in village economic institutions. A study by [Gursida et al. \(2023\)](#) reveals a strong positive correlation between the application of good governance principles and the success of BUMDesa business units. Effective governance fosters better decision-making, reduces risks of mismanagement, and enhances community support—all of which are vital for the long-term viability of BUMDesa initiatives. Therefore, integrating institutional responsiveness with governance best practices is essential for strengthening BUMDesa's role as a catalyst for rural economic development.

RESEARCH METHOD

Research Approaches and Types

This study employs a descriptive qualitative research approach aimed at gaining a deep and contextual understanding of BUMDesa's management practices, particularly in the implementation and development of business units in the fields of agriculture and waste management through waste banks. A qualitative approach is deemed appropriate because it allows the exploration of complex social phenomena and the capture of detailed insights from various stakeholders involved in BUMDesa operations. Through this method, the study seeks to reveal how managerial processes unfold in the local setting, the challenges encountered, and the strategies adapted by the organization within the socio-cultural and institutional realities of Sembung Gede Village. By focusing on narrative depth rather than generalization, the research provides rich, grounded interpretations that are essential for understanding the sustainability of village-based economic enterprises.

Location and Subject of Research

The research was conducted in Sembung Gede Village, Tabanan Regency, Bali, a village that actively operates BUMDesa Asta Dharma. This BUMDesa is particularly relevant as a case study due to its diverse business portfolio, which includes agricultural activities and a waste bank program, both representing strategic sectors with strong

community and environmental relevance. The village also represents a unique local governance structure that includes both customary and administrative elements, offering valuable context for understanding the institutional dynamics of BUMDesa management. The research subjects were selected purposively to ensure the inclusion of diverse perspectives. These subjects included BUMDesa managers directly responsible for business operations, village heads and other village officials involved in policymaking and oversight, community leaders and traditional figures who influence social legitimacy, beneficiaries from the local community who are impacted by BUMDesa activities, as well as village facilitators or representatives from government institutions who support village economic development.

Data Collection Technique

To obtain comprehensive and reliable data, this study utilized a combination of in-depth interviews, participatory observation, and document analysis. In-depth interviews were conducted with selected informants to capture their experiences, perceptions, and strategic considerations related to the planning, execution, and evaluation of BUMDesa business activities. These interviews aimed to uncover managerial practices, governance challenges, and institutional constraints from the viewpoints of those most directly involved. Participatory observation was carried out by the researcher through direct engagement with BUMDesa's routine activities, including participation in management meetings, agricultural production processes, and waste bank operational events. This method provided firsthand insights into the dynamics of decision-making, collaboration, and community involvement. Additionally, document studies were employed to analyze official records such as the BUMDesa's statutes and bylaws (AD/ART), financial reports, annual activity reports, strategic business plans, and other supporting documentation. These sources were essential for triangulating data and verifying consistency between reported practices and formal documentation.

Data Analysis Techniques

The data analysis process followed a thematic analysis approach, which involved systematically identifying recurring patterns, themes, and categories that emerged from the collected data. This process began with data transcription and familiarization, followed by coding relevant segments of interviews, observations, and documents. Themes were then constructed based on the recurrence and significance of issues related to BUMDesa's organizational management, institutional governance, business development, and community participation. Thematic analysis allowed the researcher to interpret the meaning behind the data while maintaining sensitivity to the local cultural and social context. Through this approach, the study was able to construct a holistic understanding of the management challenges and opportunities faced by BUMDesa Asta Dharma, contributing to the formulation of strategies for more effective and sustainable village enterprise development.

RESULTS

The results of the research are based on a study of BUMDesa business management, which includes business management based on the principles of corporate governance as follows.

Table 1. Observation Results of BUMDesa Business Management

Observation Aspect	Description
Location	BUMDesa Asta Dharma, Tabanan, Bali
Date	February, 2025
Observer	Researcher

Manajer Interaction	The manager explained the BUMDesa management process starting from budget planning, budget implementation, and evaluation and coordination with the village head and village residents
Village Residents Reactions	Village heads and villagers give positive appreciation for the management of BUMDesa which is carried out in accordance with the principles of corporate governance
Behavioral Changes	Village residents' trust in BUMDesa increases through increased transactions carried out by residents to support the development of BUMDesa businesses

The structured observation results in Table 1 suggest that BUMDesa management is carried out by managers based on corporate governance principles, namely transparency, accountability, efficiency, and participation. BUMDesa activities are carried out based on early-year activity planning, followed by activity implementation and evaluation every quarter and year. BUMDesa business accountability reporting is carried out at the end of the year to the village head.

“As a BUMDesa manager, I believe that the success of village business management is highly dependent on the application of good corporate governance (GCG) principles. These principles are the foundation for BUMDesa to not only be profit-oriented but also uphold transparency, accountability, and sustainability. We ensure that all business activities, financial reports, and BUMDesa policies can be accessed by related parties (village government, community, and business partners). Each BUMDesa administrator has a clear role and responsibility in accordance with the organizational structure. We also prepare Standard Operating Procedures for each business unit” (Head of BUMDesa, 2025).

Based on the results of interviews with the head of BUMDesa and observations conducted, the management of BUMDesa Asta Dharma Sembung Gede Village, Tabanan, Bali, is as follows:

Transparency

Transparency is the openness of information, the clarity of process, and good data accessibility for all stakeholders (Matheus et al., 2021). Transparency in BUMDesa management includes aspects of business activity planning, financial management, and performance reporting to the entire community (Lestari & Sulkiah, 2025). Decisions taken by BUMDesa management, decisions taken, and their implementation can be monitored and accessed by the entire village community, and relevant information is available directly and easily understood.

The management of BUMDesa Asta Dharma Sembung Gede Village in practice regarding transparency can be explained as follows (1) Financial and operational information, such as profit and loss reports, annual budgets, capital sources, and business expenses, has been announced openly to the village community through village meetings and village digital media, (2) The decision-making process in BUMDesa Asta Dharma, especially those related to the formation of business units, appointment of administrators, and the determination of profit-sharing policies, is carried out in a participatory manner and is open to input from the entire community, (3) The reporting and evaluation mechanisms are prepared periodically every year and are accountable

to the Village Consultative Body (*Badan Permusyawaratan Desa* or BPD), the village government, and the village community through village meetings.

Accountability

Accountability emphasizes the responsibility for all actions, policies, and use of BUMDesa resources to the authorities and the village community as the owners of village sovereignty (Hapsari et al., 2020). BUMDesa's accountability shows that BUMDesa management must explain and be responsible for the results of its performance to the community, including the consequences of any failures that may occur. The results of interviews and observations on the accountability of BUMDesa Asta Dharma management are explained as follows: (1) Vertical Accountability, BUMDesa Asta Dharma, as an institution formed by the village, is administratively and legally responsible to the village government and the Village Consultative Body (BPD). This has been implemented by BUMDesa with routine financial reporting, annual reports, and the delivery of information on business developments to the Sembung Gede Village community; (2) Horizontal Accountability, BUMDesa Managers have been accountable for their performance to the community as owners of social and economic capital. The form of accountability carried out by BUMDesa is to carry out the submission of reports through village information media.

The Accountability Dimension in BUMDesa Asta Dharma can be seen from financial accountability, namely, financial recording and reporting are carried out transparently, according to simple accounting standards, and are easy for the village community to understand. Program Accountability is a BUMDesa program or business unit that has objectives, performance indicators, and results that can be measured and reported periodically. Social Accountability is implemented by BUMDesa by showing the extent to which BUMDesa decisions are in line with the aspirations and needs of the village community, and managers respond to complaints and input from the community openly.

Efficiency

Efficiency is the optimal utilization of BUMDesa's resources to produce maximum output with minimal expenditure (Geru et al., 2025). The efficiency of BUMDesa management lies in how BUMDesa designs, manages, and evaluates its business activities in order to provide sustainable economic and social benefits to the village community. BUMDes must be able to produce the best results by using resources as efficiently as possible. This is very important in BUMDesa management because village business units usually have limited resources (capital, labor, market access) and face pressure to continue to provide benefits to the community. Based on the results of interviews and observations, the efficiency of BUMDesa Asta Dharma management can be explained as follows (1) Operational Efficiency, operationally, BUMDesa Asta Dharma uses inputs in the form of capital, human resources, and equipment optimally in producing products or services, such as, the use of collective agricultural tools to save production costs for BUMDesa partner farmers and the construction of a waste bank warehouse that is strategically located, close to the community and has an environmentally friendly building design, (2) Managerial Efficiency, BUMDesa has administrators who have the ability to manage business activities professionally and effectively. This includes a lean organizational structure, clear delegation of tasks, and fast but accurate decision-making. Activities are carried out according to rules that have been stated in the regulations agreed upon in BUMDesa. (3) Financial Efficiency, BUMDesa is financially able to carry out activities efficiently. This can be seen from the level of return on investment made by BUMDesa has increased, cash management, operational costs, and good business risk management.

Participation

Participation is the active involvement of all stakeholders, especially the village community, in the planning process, implementation, decision-making, and evaluation of village development policies and programs in BUMDesa's operational activities (Putra et al., 2025). In BUMDesa's business activities, participation is not only symbolic or formality in village deliberations, but also meaningful, equal, and sustainable involvement in all aspects of village business institutions and operations. The results of interviews and observations on BUMDesa Asta Dharma community participation can be explained as follows: (1) Participation in Planning, the community is involved in identifying village business opportunities, formulating the vision and mission of BUMDesa Asta Dharma, and determining the priority scale of programs through the village deliberation forum (*musdes*) of Sembung Gede Village; (2) Participation in Implementation, Sembung Gede Village residents contribute as workers, local raw material providers, business partners, and actively participate in collecting and sorting plastic waste; (3) Participation in Supervision, village communities through information transparency mechanisms and evaluation forums, actively provides input, criticism, and social control on the performance of BUMDesa Asta Dharma.

DISCUSSION

BUMDesa Asta Dharma in Sembung Gede Village operates within a work area that encompasses 10 banjars (traditional neighborhood units) and is managed by a team of 15 personnel, organized into distinct roles including a Leader, Secretary, Treasurer, administrative staff, and field officers. Since its establishment, BUMDesa has progressively expanded its business units—from savings and loan services to the provision of agricultural inputs, purchasing and marketing of agricultural produce, and more recently, the management of village waste through the development of a waste bank program. The revitalization of business activities, particularly after the economic disruptions caused by the COVID-19 pandemic, has marked a significant phase of growth and adaptation. Based on field data and analysis, it is evident that BUMDesa Asta Dharma's management framework is guided by the principles of good corporate governance, emphasizing transparency, accountability, efficiency, and community participation as core tenets of its institutional performance.

The principle of transparency is found to be a critical pillar in building and maintaining public trust in BUMDesa's operations. The implementation of open financial reporting systems, along with effective communication between BUMDesa management and the local community, has fostered a participatory environment where villagers are more inclined to invest capital and support the institution's business activities. Transparency in BUMDesa Asta Dharma is not limited to fulfilling administrative formalities; rather, it plays a central role in legitimizing the organization socially and ethically. By disclosing business planning outcomes, financial performance, and program impacts, BUMDesa has positioned itself as a trustworthy institution, thereby encouraging broader community involvement and enhancing long-term business stability.

In terms of accountability, BUMDesa Asta Dharma has adopted a model where community members are actively involved not only in monitoring but also in evaluating the outcomes of business programs. This openness, ranging from the planning phase to implementation and post-activity evaluations, has resulted in heightened levels of public confidence and a greater sense of shared responsibility. Such transparency fosters safeguards against potential misuse of authority and corruption, as internal audits and social control mechanisms become integrated into routine operations. The ability to make strategic decisions based on participatory evaluation has enabled BUMDesa to respond adaptively to emerging needs, thus sustaining the continuity and impact of its businesses

in the village economy.

Efficiency in BUMDesa Asta Dharma is reflected in its capacity to optimize limited resources through careful planning, cost control, and performance monitoring across all stages of the business process. The preparation of realistic work budgets, effective implementation of operational activities, and systematic follow-up actions ensure that the enterprise remains viable and responsive. Efficiency is not confined to financial prudence alone; it also encompasses the strategic use of local resources, human capital, and innovation. By investing in staff capacity building, improving financial information systems, and adopting appropriate technologies, BUMDesa has demonstrated its ability to deliver tangible economic benefits to the community while minimizing waste and redundancy.

Community participation stands out as a defining feature of BUMDesa Asta Dharma's governance model. Decisions regarding business activities are made through a deliberative process that involves multiple community stakeholders, including traditional leaders, youth representatives, and women's groups. This inclusive approach not only strengthens the social legitimacy of BUMDesa but also improves its resilience in the face of market and institutional uncertainties. Community members contribute not only capital and labor but also play an active role in managing operations, particularly evident in the waste bank program, where residents are directly involved in sorting and recycling activities. Participation, in this context, is more than a procedural requirement; it is a strategy for empowerment, ensuring that villagers are co-creators of economic value and not merely passive beneficiaries. This fosters a deep sense of ownership that is crucial for the long-term sustainability and expansion of village economic enterprises.

Overall, the case of BUMDesa Asta Dharma illustrates how the integration of good governance principles—transparency, accountability, efficiency, and participation—can significantly enhance the performance and sustainability of village-based economic institutions. These findings underscore the importance of professional management practices and inclusive governance in ensuring that BUMDesa remains a transformative agent for rural development, especially in strategic sectors like agriculture and environmental sustainability.

CONCLUSION

Based on the results of the discussion above, it can be concluded that the management of BUMDesa Asta Dharma is carried out through corporate governance principles, which include transparency, accountability, efficiency, and participation. Transparency in BUMDesa management includes aspects of business activity planning, financial management, and performance reporting to the entire community. Decisions taken by BUMDesa management, decisions taken, and their implementation can be monitored and accessed by the entire village community, and relevant information is available directly and easily understood.

Accountability in BUMDesa Asta Dharma can be seen from financial accountability, namely, financial recording and reporting are carried out transparently, according to simple accounting standards, and are easily understood by the village community and program accountability that has objectives, performance indicators, and results that can be measured and reported periodically. The efficiency of BUMDesa Asta Dharma business management starts from the preparation of the work budget, implementation of activities, the follows the business process. Efficiency is carried out by conducting analysis in terms of operations, management, and finance. The dimension of community participation in managing BUMDesa businesses through participation in terms of

planning, implementation, and supervision of activities. Participation is carried out with the community as the subject, not the object involved in each business cycle. This encourages participation to become the main strategy in strengthening the resilience, inclusiveness, and sustainability of BUMDesa Asta Dharma.

Based on the findings related to the management of BUMDesa Asta Dharma, here are some important implications for management: (1) Research shows that the weaknesses of BUMDesa lie in traditional management and minimal business competence. Therefore, BUMDesa needs to adopt data-based management and long-term strategies; (2) Studies prove that the application of corporate governance principles increases public trust and encourages active participation in village economic activities; (3) The results of the study show a positive correlation between the level of education and experience of managers and the profitability of BUMDesa business units. Therefore, increasing human resource capacity is a strategic step; and (4) Implementation of technology is improved so that BUMDesa is able to adapt to digital technology, especially in marketing and financial recording, and has better business resilience.

LIMITATION

This study was conducted to examine the management of BUMDesa, which is guided by the principles of corporate governance, namely the concept of transparency, accountability, efficiency, and participation in BUMDesa Asta Dharma Sembung Gede Village. The limitations of the study lie in the respondents and are limited to one BUMDesa. The research respondents were LPD managers, Village Staff, and the community, who had very busy activities. Furthermore, the research study is located in one BUMDesa engaged in the fields of agriculture and waste management. For further research, strategies can be developed, especially on time and place to get representative respondents. Research can be developed in a wider area by covering all areas of BUMDesa activities, so that the generalization of research results is broader.

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DECLARATION OF CONFLICTING INTERESTS

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