

Empowering Bumdes: Financial Management Driving Business Growth In Pacitan

Amrie Firmansyah¹, Ferry Irawan², Zef Arfiansyah³, Resi Ariyasa Qadri⁴, Suparna Wijaya⁵

Faculty of Economics and Business, Universitas Pembangunan Nasional Veteran Jakarta^{1,2,5}
Politeknik Keuangan Negara STAN^{3,4}

amriefirmansyah@upnvj.ac.id¹, ferryirawan@upnvj.ac.id², zef.arfiansyah@pknstan.ac.id³,
resi.ariyasa@pknstan.ac.id⁴, suparnawijaya@upnvj.ac.id⁵

ABSTRACT

Good financial management is a key factor in supporting the development of Village-Owned Enterprises (BUMDes) as drivers of the village economy. This study aims to identify and analyze the impact of financial management on the development of BUMDes businesses in Pacitan Regency, focusing on advanced BUMDes categories. Effective financial management is believed to increase the transparency, accountability, and competitiveness of BUMDes amid market dynamics. The research method used is a qualitative approach, with in-depth interviews involving four informants: two BUMDes Directors, one representative of the Community and Village Empowerment Service of Pacitan Regency, and one Community Empowerment Expert. This study explores financial management practices, challenges faced, and business development strategies implemented by advanced BUMDes. The study results indicate that good financial management, including applying accounting technology, is important in increasing efficiency and transparency. However, long-term planning still has challenges and limited access to capital due to strict regulations. This study concludes that when BUMDes implements effective financial management, it has a greater opportunity to develop its business. This study indicates that the Pacitan District Government needs to strengthen advanced training programs, technical assistance, and policies that support easy access to capital for advanced BUMDes so that they can continue to develop and contribute more to the village economy.

Keywords: BUMDes, Financial Management, Business Development, Pacitan, Village Policy

INTRODUCTION

BUMDes (Village-Owned Enterprises) is one of the government's initiatives to drive the village economy. The existence of BUMDes is expected to manage the economic potential within villages, thereby improving community welfare. In practice, BUMDes has demonstrated the ability to adapt to local needs and act as an economic driver in remote areas. Over time, the role of BUMDes has expanded, especially after the COVID-19 pandemic, where BUMDes also served as a social safety net for village communities (Sosiawan, 2022). However, the management of BUMDes has not always gone smoothly. In Pacitan Regency, BUMDes face various challenges, especially regarding suboptimal financial management. One common issue is the lack of human resources with accounting skills. Many BUMDes administrators do not have formal accounting backgrounds, which leads to difficulties in preparing financial statements that comply with applicable accounting standards (Alimuddin et al., 2023).

In addition to human resource limitations, BUMDes in Pacitan also faces challenges in using technology. Financial management in many BUMDes is still done manually or using basic Excel applications. It makes it difficult for them to record transactions promptly and accurately and prepare financial statements regularly (Fitriani et al., 2024). These challenges make BUMDes' financial management less efficient, ultimately affecting their ability to grow their businesses.

The problem arising from this phenomenon is, "How does financial management in BUMDes affect their business development?" This question forms the basis of the research, focusing on investigating to what extent BUMDes financial management contributes to the success or failure of business development. Additionally, this research seeks to explore strategies that can be implemented to improve the financial management capacity of BUMDes in Pacitan Regency.

Previous literature shows that good financial management is crucial in developing small and medium-sized enterprises (Achmad & Fadlurrohim, 2023). In the context of BUMDes, Arfiansyah et al. (2022) highlighted that adequate financial management skills are key to the successful management of sustainable businesses. However, many BUMDes struggle to prepare accurate financial statements due to limited human resource capacity. This research aims to deepen the understanding of how these challenges impact BUMDes in Pacitan.

One of the main differences between this research and previous studies is the focus on BUMDes in the Pacitan Regency, which has unique characteristics. Sosiawan (2022) noted that BUMDes in Pacitan transformed the pandemic, where they also functioned as providers of social services, not just pure business entities. This expanded role adds complexity to their management, particularly in financial management.

Moreover, this research emphasizes financial management in greater depth, while other studies primarily discuss general business planning. For instance, in Arfiansyah et al. (2023), business planning was the main focus, whereas this study examines how proper financial management serves as the foundation for better business planning. Thus, this research provides new contributions to the literature on financial management in BUMDes.

The primary contribution of this research is to offer new insights into the importance of transparent and accurate financial management in supporting the sustainability of BUMDes businesses. Good financial management supports day-to-day operations and serves as the basis for long-term business development. This research also shows that continuous technical

training and assistance are essential to ensure BUMDes administrators can manage their finances effectively (Faqih & Widya, 2023).

This research contributes to the literature and provides policy contributions at both the national and regional levels. First, this study recommends that the Ministry of Villages, Development of Disadvantaged Regions, and Transmigration provide more comprehensive training programs for BUMDes administrators, particularly in technology-based financial management. The training should include using more advanced accounting software to ensure administrators can prepare financial statements more timely and accurately (Alimuddin et al., 2023).

At the regional level, this study recommends that the Pacitan Regency Government enhance technical assistance for developing BUMDes. This assistance should be continuous rather than temporary so that BUMDes administrators can consistently apply the knowledge gained from training. Collaboration with academics and practitioners should also be increased to provide more technical and specific assistance (Indrastuti & Ash-shidiqqi, 2022).

Regulations supporting BUMDes, such as Government Regulation (PP) Number 11 of 2021 concerning Village-Owned Enterprises, have provided a strong legal framework for BUMDes management (Peraturan Pemerintah RI, 2021). However, these regulations must be implemented more effectively on the ground, with adequate technical support. The Pacitan Regency Government must ensure that the BUMDes in its region comply with these regulations, particularly regarding financial management (Wibowo, 2024).

Furthermore, this research provides insights into how good financial management is closely related to the success of business development in BUMDes. BUMDes, with good financial management systems, can better plan their business development and attract external investment. On the other hand, BUMDes that lack complete financial statements often struggle to grow their businesses because they cannot attract partners or additional capital (Ginanjari et al., 2020). Thus, this research provides empirical evidence that good financial management must be a top priority in BUMDes management. Additionally, this study highlights that training programs must be tailored to the actual needs on the ground, and regional governments must be more proactive in providing technical assistance.

The transformation of BUMDes in Pacitan shows they can become important instruments in rural economic development. Not only do they function as economic entities, but BUMDes can also serve as social safety nets, especially during crises like the pandemic.

BUMDes is a relevant model for community-based economic development in Indonesia and other developing countries (Sosiawan, 2022). In this context, the Pacitan Regency Government must continue to promote the development of BUMDes by providing greater support, particularly in financial management. Transparency and accountability in financial management must be a primary focus so BUMDes can grow better and contribute to local economic development (Wibowo, 2024).

LITERATURE REVIEW

Financial management is crucial to operations and business development, including for Village-Owned Enterprises (BUMDes). In the literature, good financial management is often cited as a key factor supporting organizational growth. Achmad & Fadlurrohim (2023) stated that transparent and accountable financial management enables organizations to optimize resource allocation and minimize the risk of business failure. Poor financial management hinders business growth and damages the organization's reputation, including that of BUMDes.

Financial management in BUMDes presents challenges due to the limited human resources available for accounting and financial skills. Arfiansyah et al. (2022) noted that many BUMDes administrators lack educational backgrounds in accounting, making it difficult to prepare financial statements that comply with applicable accounting standards. This results in delays and inaccuracies in financial statements, which can impede the overall development of BUMDes businesses.

Another challenge in BUMDes financial management is the limited use of technology. Many BUMDes still rely on manual record-keeping for their financial transactions. Although some have started using basic applications like Excel, many still face technical difficulties operating such software (Fitriani et al., 2024). Alimuddin et al. (2023) emphasized that financial records in BUMDes remain prone to errors without adequate technology adoption, and the financial reporting process becomes more time-consuming.

Good financial management in business development allows BUMDes to plan investments and business growth better. Aditama et al. (2021) mentioned that sound business planning must be supported by accurate financial statements that reflect the actual financial condition of the BUMDes. Without accurate data, investment decisions become speculative and risky. Financial statements are an analytical tool that helps BUMDes administrators assess their financial performance and plan strategic steps moving forward.

Transparency in financial management is also a key focus in the literature. According to Ningsih & Ermawanti (2023), transparent and accurate financial statements increase community trust in BUMDes and serve as a critical requirement in forming partnerships with external parties, such as investors or financial institutions. Financial statements that do not comply with accounting standards tend to damage the image of BUMDes and make external parties reluctant to invest.

Training and technical assistance are necessary solutions to improve the financial management capacity of BUMDes. Arfiansyah et al. (2023) showed that comprehensive training programs, particularly in accounting and financial technology use, can enhance the capacity of BUMDes administrators to prepare better financial statements. However, such training must be followed by continuous assistance to ensure that the knowledge gained can be effectively applied in the field.

Technical assistance is also important in helping BUMDes overcome technical issues in their financial management. Darmawan et al. (2022) highlighted the importance of assistance from academics or accounting practitioners to help BUMDes manage their funds and prepare financial statements that comply with standards. This assistance focuses not only on technical aspects but also on strategic planning for long-term business development.

Software-based accounting technology is becoming a recommended trend in modern financial management. Fitriani et al. (2024) emphasized that accounting software can help BUMDes record transactions more efficiently and generate real-time financial statements. However, many BUMDes still face challenges in adopting this technology due to limited technical knowledge and the cost of acquiring software.

Additionally, regulations supporting BUMDes' financial management are important for increasing accountability and transparency. Government Regulation (PP) Number 11 of 2021 concerning Village-Owned Enterprises provides a strong legal foundation to ensure BUMDes comply with applicable accounting standards (Peraturan Pemerintah RI, 2021). However, Wibowo (2024) pointed out that implementing these regulations still faces challenges, especially in villages with limited human resources.

Collaboration between the central government, regional governments, academics, and accounting practitioners is essential in enhancing the financial management capacity of BUMDes. Hartati et al. (2023) mentioned that the government should play an active role in

providing training and assistance, while academics and practitioners can provide technical input and facilitate the development of more modern financial management systems.

Open access to accurate financial information in business development enables BUMDes to identify business opportunities and plan development strategies more effectively. According to Karyana & Astuti (2023), good financial statements allow BUMDes administrators to periodically evaluate their business performance, enabling them to take corrective actions in the event of a performance decline. Thus, good financial management is a critical element in the business development of BUMDes. Challenges in accounting skills, technology use, and regulatory limitations must be addressed through comprehensive training, technical assistance, and better technology adoption. Transparency in financial management is also key to forming partnerships with external parties and building community trust.

RESEARCH METHOD

The research employs a qualitative approach using a case study method to explore the financial management practices and their impact on business development in BUMDes within Pacitan Regency. The qualitative approach was selected to understand better the complex and nuanced phenomena related to the experiences of BUMDes managers in managing finances. It also allows for capturing unique local contexts and specific challenges faced by BUMDes in the region.

The participants in this study include two BUMDes Directors from advanced BUMDes, one representative from the Pacitan Regency Community and Village Empowerment Office, and one Community Empowerment Expert from Pacitan Regency. These informants were selected through purposive sampling, ensuring that only individuals with direct knowledge and experience in BUMDes financial management were included.

Data collection methods comprised in-depth interviews and document analysis. Interviews were conducted with BUMDes administrators to gather insights on their day-to-day financial management practices, challenges encountered, and how financial management has affected their business development. Additionally, interviews were carried out with external stakeholders, including the relevant government office, to understand the technical support and assistance provided to BUMDes. Document analysis included reviewing BUMDes financial statements and other relevant documents such as business plans and budgets.

The data were analyzed using thematic analysis. Data from interviews and documents were organized and categorized into key themes such as financial management challenges,

financial planning, and the impact of financial management on business development. Thematic analysis helped identify patterns in the data, providing a deeper understanding of the relationship between financial management and business growth in BUMDes. To ensure the validity of the data, source triangulation was employed by comparing information from interviews with documents and other sources. This triangulation aimed to improve the reliability of findings by cross-verifying data from multiple perspectives, resulting in a more comprehensive and accurate understanding of BUMDes financial management practices.

RESULT AND ANALYSIS

This research focuses on financial management and its impact on the business development of BUMDes in Pacitan Regency. The informants involved include two Directors from advanced BUMDes, a representative from the Pacitan Regency Community and Village Empowerment Office, and a Community Empowerment Expert from Pacitan Regency. The study results show that advanced BUMDes have made significant progress in their financial management but still face challenges, particularly in long-term planning and access to capital.

The findings reveal that advanced BUMDes in Pacitan Regency have significantly enhanced their financial management practices, with interviews with the two BUMDes Directors revealing that financial management in advanced BUMDes is far more systematic compared to BUMDes in their early stages. Initially, many BUMDes relied on manual, paper-based records, a method that was time-consuming, prone to error, and limited their ability to produce timely, accurate financial statements. The transition to Microsoft Excel has substantially improved, enabling advanced BUMDes to streamline transaction recording, budgeting, and financial reporting processes.

This shift to Excel has allowed BUMDes to maintain more organized and structured financial records, which is crucial for transparency and regulatory compliance. The Directors noted that using Excel helps automate certain processes, like data entry and report generation, improving efficiency and accuracy. According to Fitriani et al. (2024), utilizing accessible technology like Excel can transform financial practices, allowing organizations to create reliable records that support accountability and operational sustainability. Through Excel, BUMDes can now produce timely financial statements, building a transparent foundation that fosters stakeholder trust. The Directors explained that this transparency has proven essential in demonstrating financial reliability to potential partners and investors, as they can now present clear and organized financial documentation. As Ningsih & Ermawanti (2023) affirmed,

transparency in financial practices strengthens organizational reputation and opens opportunities for growth by attracting additional funding and partnerships.

While Excel may lack some advanced features found in specialized accounting software, its functionality is sufficient to meet the current needs of BUMDes, especially as they develop their financial management capacities. With Excel, BUMDes can conduct preliminary financial analysis, supporting activities like cash flow projection and profitability assessments. This level of planning, previously unattainable due to limited resources and manual methods, now enables BUMDes to make data-driven decisions, enhancing their ability to manage resources effectively and plan for long-term growth.

The support from the Community and Village Empowerment Office has been instrumental in this transition. Recognizing Excel's potential, the office has provided training emphasizing maximizing its use, allowing BUMDes managers to gain the confidence and skills needed for effective financial management. This support aligns with findings by Fitriyanti (2019), who suggested that training in accessible, familiar tools greatly enhances financial literacy and management capabilities, especially in developing organizations. Adopting Excel has transformed BUMDes' financial management from a manual, error-prone system to a more efficient, organized process, allowing them to project a professional image and foster stronger partnerships. This evolution signifies a broader shift towards a more accountable, growth-oriented approach, equipping advanced BUMDes with the tools to sustain and expand their operations as they contribute meaningfully to local economic development.

The findings indicate that while advanced BUMDes have made significant strides in adopting financial technology, several challenges remain that limit the full utilization of these tools. Both Directors acknowledged that while they have started using accounting software, certain technical aspects, such as data integration and advanced financial analysis, remain challenging. Despite moving beyond manual systems and embracing software solutions, these BUMDes face barriers from limited technical expertise and experience with complex financial tools. One core issue is the integration of data across different financial functions. The Directors expressed that while they can perform basic tasks—such as recording transactions, creating budgets, and generating financial reports—the seamless integration of these data points remains complex. Financial analysis can be fragmented without fully integrated data, requiring manual consolidation and reducing overall efficiency. For example, generating a comprehensive view of financial health, including trends across cash flow, revenue, and expenses, becomes

cumbersome and time-intensive. This issue is compounded by a lack of internal expertise in data management, which has limited their ability to leverage all software features effectively. Another significant challenge lies in performing advanced financial analysis, such as detailed profitability assessments and predictive cash flow analysis. Although the accounting software has these capabilities, the Directors highlighted that they need further training to understand and utilize these advanced functions. Aditama et al. (2021) noted that advanced accounting technology demands strong management capacity, which BUMDes administrators often do not fully possess. This limitation impacts their ability to use the software for strategic decision-making, an area that advanced financial analysis could otherwise support by providing insights into areas of potential growth or risk.

The lack of comprehensive training is also a barrier to optimizing the technology. While initial training was provided, it primarily focused on essential functions, leaving knowledge gaps in the more advanced analytical tools offered by the software. BUMDes managers would require deeper knowledge of financial modeling techniques and software-specific functionalities to perform more sophisticated analyses, such as scenario planning and trend forecasting. Without this expertise, they risk underutilizing the software's potential, limiting their ability to engage in strategic planning effectively. As such, the current use of financial technology is somewhat constrained, serving more as an enhanced bookkeeping tool than a fully integrated financial management system.

This limited adoption of financial technology also affects transparency and accountability, two pillars essential for BUMDes aiming to attract external investment and partnerships. Advanced features such as real-time financial dashboards, automatic report generation, and digital audit trails remain underutilized due to BUMDes managers' technical constraints. As Fitriani et al. (2024) highlighted, technology has the potential to enhance transparency and trust in financial reporting significantly. However, without fully mastering these tools, BUMDes cannot provide the financial clarity that sophisticated investors and partners may require, potentially hindering partnership opportunities.

To address these challenges, the Directors recognize the need for ongoing, targeted training programs focused on maximizing the use of financial technology for strategic purposes. They see an opportunity to deepen their understanding of data integration and advanced analysis tools, which would help them build a more holistic financial management system within their BUMDes. This training should cover technical aspects of software use and strategic financial

management concepts to equip BUMDes managers with the necessary skills for long-term planning. Ultimately, while BUMDes has made commendable progress by integrating financial technology, unlocking its full potential will require an ongoing commitment to capacity building and skill development. This journey from basic software use to strategic financial management represents an important step towards the professionalization of BUMDes, one that could set the foundation for sustainable growth and development as BUMDes gains the skills needed to navigate an increasingly complex financial landscape.

A representative from the Community and Village Empowerment Office of Pacitan Regency added that the success of advanced BUMDes is also due to the regional government's support in training and mentoring. Although basic training has been provided, the office recognizes that advanced BUMDes need more specific training modules focused on strategic financial planning and capitalizing on investment opportunities. This need for specialized support aligns with findings by Darmawan et al. (2022), who emphasized that continuous, targeted training is essential for BUMDes to effectively adapt to changing business dynamics and navigate financial complexities. These advanced modules aim to build on foundational skills by equipping BUMDes managers with strategic tools for long-term planning and growth. For instance, advanced Financial Reporting Assistance training reinforces basic accounting skills and introduces analytical techniques for better financial oversight. Managers are encouraged to interpret financial data to make informed decisions, ensuring BUMDes maintains sustainable financial practices that support expansion and new investments. The government's approach includes planning, implementation, and periodic evaluations, offering structured, ongoing support that moves beyond initial skills to foster continuous improvement.

Furthermore, the government's Business Planning Mentorship for advanced BUMDes focuses on developing robust, adaptable business strategies. Managers learn to leverage SWOT analysis for strategic decision-making, identify viable local investment opportunities, and diversify business models to stabilize revenue. This advanced mentorship is implemented through interactive workshops and personalized follow-up sessions tailored to align BUMDes operations with broader economic goals. Together, these programs underscore a collaborative approach, where continuous regional support and targeted training empower advanced BUMDes to thrive and reinforce their contributions to local economic resilience and growth.

Furthermore, one of the key strengths of advanced BUMDes is their ability to maintain transparency in financial management. Both Directors stated they have strict internal control

systems to ensure funds used for BUMDes operations are properly separated from village finances. Ningsih & Ermawanti (2023) emphasized that financial transparency is crucial in building trust among the local community and prospective external business partners.

Despite their advantages in transparency, advanced BUMDes still face challenges in accessing external capital. Both Directors mentioned that lengthy bureaucratic processes and complex administrative requirements often hinder their efforts to obtain loans from banks or other financial institutions. Wibowo (2024) stressed that overly stringent regulations and bureaucracy could hamper the growth of BUMDes seeking to expand their businesses.

The Community Empowerment Expert from Pacitan Regency emphasized that risk management is also a crucial aspect of financial management for advanced BUMDes. According to him, advanced BUMDes should focus more on risk management, especially when dealing with market fluctuations and economic uncertainty. Good risk management enables BUMDes to anticipate changes in market conditions and maintain business stability amid ever-changing market dynamics (Darmawan et al., 2022).

One strategy adopted by advanced BUMDes to address financial challenges is business diversification. Both Directors interviewed revealed that they have expanded their businesses into new tourism and local product trading sectors. This diversification helps them increase revenue and reduces the risk they face if one business line experiences a downturn. Pasadina & Abinaqy (2023) indicated that business diversification is an effective strategy for BUMDes to remain resilient and thrive amid economic uncertainties.

A Community and Village Empowerment Office representative of Pacitan Regency also highlighted the importance of community involvement in BUMDes management. Advanced BUMDes in Pacitan have succeeded because they involve the community in decision-making and business operations. It increases community support for BUMDes and strengthens its social foundation of BUMDes in running their businesses. Karyana & Astuti (2023) stressed that community participation is one of the key elements in ensuring the sustainability of BUMDes.

Additionally, both BUMDes Directors stated that one of the keys to their success is their ability to build partnerships with various stakeholders. They have collaborated with local suppliers and external business partners to expand markets and scale their businesses. According to Muslimin (2024), strong partnerships with external parties are one of the main factors driving the growth of advanced BUMDes.

However, there are still challenges related to managing dynamic cash flows. Both BUMDes Directors acknowledged that fluctuating income often makes it difficult to maintain cash flow stability. Although they have implemented better management strategies, they still face difficulties accurately projecting future income. It indicates the need for improved skills in financial analysis and more effective strategic planning (Aditama et al., 2021).

In terms of business planning, advanced BUMDes tend to have long-term business development plans based on solid financial data. Both Directors stated that they have developed more strategic business expansion plans, including growing sectors that have the potential to generate additional revenue. This allows BUMDes to plan investments more effectively while minimizing risks (Arfiansyah et al., 2023).

The Community and Village Empowerment Office representative added that the regional government continues to support advanced BUMDes through policies that promote business sustainability. One initiative being developed is more accessible access to low-interest loan funds to support BUMDes business expansion. This will help BUMDes overcome the capital access barriers currently hindering its growth (Wibowo, 2024).

The Community Empowerment Expert also suggested that to support the development of BUMDes. Further, more focused training programs are needed to enhance capacity in financial management, risk management, and business expansion strategies. This is important to ensure that advanced BUMDes maintain their success and grow faster and more sustainably (Darmawan et al., 2022). This study shows that good and transparent financial management is the key to success for advanced BUMDes in Pacitan Regency. Although they have made significant progress, challenges related to capital access, risk management, and long-term financial planning remain. Continuous support from the regional government, additional training, and more intensive technical assistance are essential to ensure that these BUMDes continue to grow and become models for other BUMDes in Pacitan and across Indonesia.

CONCLUSION

This study reveals that effective and efficient financial management plays a crucial role in supporting the business development of BUMDes in the Pacitan Regency, particularly for those that have reached the advanced category. By involving two BUMDes Directors, a representative from the Pacitan Regency Community and Village Empowerment Office, and a Community Empowerment Expert, this research provides deep insights into how more structured and transparent financial management can support business sustainability. More

advanced accounting technologies, such as accounting software, have proven helpful for BUMDes in preparing more accurate and timely financial statements, although technical and skill-related challenges remain.

Although advanced BUMDes in Pacitan have shown significant progress in financial management, this study also highlights several ongoing challenges. One of the main obstacles is the limited access to external capital due to complex bureaucracy and regulations. Additionally, although the two BUMDes Directors have started utilizing accounting technology, further training is needed to maximize the potential of this technology, particularly in long-term planning and more in-depth financial analysis. This indicates that while they have reached the advanced category, there is still room for improvement in their financial management capacity.

Community involvement has also been a key element in the success of advanced BUMDes. BUMDes that engage the community in decision-making and financial management demonstrate higher levels of transparency, which in turn enhances trust and support from the local community. This transparency also facilitates BUMDes in forming partnerships with external parties, making expanding their business through collaboration with business partners or local suppliers easier. Community involvement is one of the strengths that support the sustainability of BUMDes operations.

The study also highlights the importance of business diversification in maintaining the sustainability of BUMDes. Both advanced BUMDes Directors interviewed have utilized accurate financial statements to plan expansions into new sectors, such as tourism and local commodity trade. This diversification helps BUMDes cope with income fluctuations and opens up new market opportunities that have the potential to increase revenue. Sound financial management allows BUMDes to conduct more effective strategic planning.

The primary limitation of this study is the relatively small number of informants, consisting of only four individuals, including two BUMDes Directors, one government representative, and one community expert. Therefore, the findings of this research cannot be generalized to all BUMDes in the Pacitan Regency or other regions. Further research involving more informants from various BUMDes categories will provide more comprehensive insights into financial management in BUMDes.

Recommendations for future research include expanding the scope of informants and research locations to obtain a broader understanding of the role of financial management in BUMDes business development. Additionally, future studies could use mixed methods,

combining both qualitative and quantitative data, to analyze the relationship between financial management and the financial performance of BUMDes. This way, further research can provide stronger evidence of the key factors influencing the success of BUMDes in Indonesia.

From a policy perspective, local and central governments need to strengthen their support for BUMDes through more specific advanced training programs, particularly in strategic planning, risk management, and access to capital. This support will help BUMDes overcome their challenges and ensure their businesses' sustainability and growth. Furthermore, more flexible and supportive regulatory policies are needed to facilitate access to external capital for BUMDes that have reached the advanced stage.

REFERENCE

- Achmad, W., & Fadlurrohimi, I. (2023). The role of BUMDes in community empowerment in Salamjaya Village, Pabuaran District, Subang Regency. *JISIP (Jurnal Ilmu Sosial Dan Pendidikan)*, 7(2), 935–940. <https://doi.org/10.58258/jisip.v7i2.4640/http>
- Aditama, N. P., Winarto, A. E., & Firmansyah, F. (2021). Pengabdian kepada masyarakat melalui revitalisasi BUMDES sebagai layanan sosial pada Bamuju Bamara Desa Sungai Tabuk. *Abdimas: Adi Pengabdian Kepada Masyarakat*, 1(2), 41–53. <https://doi.org/10.34306/adimas.v1i2.431>
- Alimuddin, H., Abdullah, A., & Razak, F. (2023). Pelatihan digital marketing untuk meningkatkan daya saing produk badan usaha milik desa (BUMDes). *Jurnal IPMAS*, 3(3), 174–182. <https://doi.org/10.54065/ipmas.3.3.2023.361>
- Arfiansyah, Z., Qadri, R. A., & Firmansyah, A. (2022). Pendampingan pelaporan keuangan pada pengurus BUMDes di Kabupaten Pacitan. *Pengmasku*, 2(2), 186–193. <https://doi.org/10.54957/pengmasku.v2i2.307>
- Arfiansyah, Z., Qadri, R. A., & Firmansyah, A. (2023). Peningkatan kapasitas pengurus BUMDes di Kabupaten Pacitan terkait dengan perencanaan bisnis. *Pengmasku*, 3(1), 1–7. <https://doi.org/10.54957/pengmasku.v3i1.303>
- Darmawan, A., Alamsyah, R., Koswara, R., & Ahmadi, D. (2022). Strengthen the role of village owned enterprises (BUMDes) to improve social welfare and reduce inequality in rural areas: lesson from Indonesia. *The 3rd International Conference of Business, Accounting, and Economics*, 1–10. <https://doi.org/10.4108/eai.10-8-2022.2320874>
- Faqih, A. R., & Widya, A. A. (2023). Implementasi aplikasi e-ticket pada Bumdes Desa Sumbermulyo Kec. Jogoroto Kab. Jombang sebagai solusi digitalisasi pengelolaan tiket.

- Jurnal Sistem Informasi, Teknik Informatika Dan Teknologi Pendidikan*, 2(2), 49–54.
<https://doi.org/10.55338/justikpen.v2i2.30>
- Fitriani, D., Md Shahbudin, A. S., & Shauki, E. R. (2024). Exploring BUMDES accountability: Balancing expectations and reality. *Cogent Business and Management*, 11(1), 1–26.
<https://doi.org/10.1080/23311975.2024.2402083>
- Fitriyanti, S. (2019). Analisis potensi pembentukan badan usaha milik desa (Bumdes) berbasis kearifan lokal di Desa Hiyung Kabupaten Tapin. *Jurnal Kebijakan Pembangunan*, 14(1), 55–62. <https://jkjournal.com/index.php/menu/article/view/0000-0003-0715-4777>
- Ginanjar, Y., Hernita, N., Riyadi, W., & Rahmayani, M. W. (2020). Factors affecting the quality financial statement of badan usaha milik desa (Bumdes). *IOP Conference Series: Earth and Environmental Science*, 466(1), 1–6. <https://doi.org/10.1088/1755-1315/466/1/012009>
- Hartati, P., Amirullah, M., & Munandar, E. (2023). Peran badan usaha milik desa (Bumdes) kompromi dalam pemberdayaan ekonomi masyarakat di Desa Bojongkondang Kecamatan Langkaplancar Kabupaten Pangandaran. *Jurnal Ekonomi Akuntansi, Manajemen*, 2(4), 610–620. <https://doi.org/10.572349/mufakat.v2i4.963>
- Indrastuti, L., & Ash-shidiqqi, E. A. (2022). Revitalisasi kelembagaan Bumdes dalam upaya meningkatkan kemandirian dan ketahanan desa. *El Wasathiya*, 10(1), 125–139. <https://doi.org/10.35888/el-wasathiya.v10i01.4663>
- Karyana, Y., & Astuti, D. (2023). Inovasi pemberdayaan BUMDes sebagai simpul penggerak ekonomi masyarakat desa. *Populika*, 11(1), 41–49. <https://doi.org/10.37631/populika.v11i1.731>
- Muslimin, M. (2024). *Bumdes Pacitan solusi kesejahteraan warga*. <https://www.rri.co.id/daerah/665051/bumdes-pacitan-solusi-kesejahteraan-warga>
- Ningsih, L. K., & Ermawanti, N. M. D. (2023). Peningkatan kinerja pegawai melalui pemberdayaan sumber daya manusia, kompensasi, dan komitmen organisasi pada Kantor Bumdes Kecamatan Buleleng. *Management Studies and Entrepreneurship Journal*, 4(3), 3001–3008. <https://doi.org/10.37385/msej.v4i4.2225>
- Pasadina, F., & Abinaqy, A. (2023). *Ekspor jahe, omzet BUMDes Sejahtera Punjung naik*. <https://pacitania.com/ekspor-jahe-omzet-bumdes-sejahtera-punjung-naik/>
- Peraturan Pemerintah RI. (2021). *Peraturan Pemerintah Nomor 11 Tahun 2021 Tentang Badan Usaha Milik Desa* (pp. 1–71). <https://peraturan.bpk.go.id/Home/Details/161841/pp->

no-11-tahun-2021

Sosiawan, A. (2022). Pengelolaan badan usaha milik desa (Bum Desa) di masa pandemi Covid-19. *Jurnal Pallangga Praja (JPP)*, 4(1), 23–31. <https://doi.org/10.61076/jpp.v4i1.2637>

Wibowo, A. (2024). *Warga Pacitan adukan pengelolaan BUMDes, dugaan penyimpangan wisata Pantai Kasap*. <https://www.tvonenews.com/daerah/jatim/242567-warga-pacitan-adukan-pengelolaan-bumdes-dugaan-penyimpangan-wisata-pantai-kasap>