

Governance, Accountability, and Accounting Practices in Village-Owned Enterprises (BUMDes): A Scoping Review

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Abstrak. *The management of Village-Owned Enterprises (BUMDes) in Indonesia has become a strategic focus within national rural development policy, particularly since the enactment of Law No. 6 of 2014 concerning Villages, which emphasizes village autonomy and economic self-sufficiency. Despite this policy support, many BUMDes continue to face significant challenges in governance, accountability, and the implementation of sound accounting practices. This research aims to map and synthesize academic literature regarding governance, accountability, and accounting practices in Village-Owned Enterprises (BUMDes). The study used a scoping review approach with reference to the five-stage methodological framework of Arksey and O'Malley (2005). The literature search was carried out through the Scopus database using an advanced search strategy on journal articles published in the 2014–2024 period. From the selection process, 25 articles were obtained that were analyzed in depth. The mapping results show that the discourse on BUMDes is dominated by the theme of hybrid organizational tensions, political attachment in governance, and the gap between expectations and the reality of accountability. Meanwhile, studies that highlight the technical aspects of the implementation of accounting standards and long-term (longitudinal) performance evaluation are still relatively limited. The implications of this study confirm the importance of developing a more integrative and contextual approach to village accounting to bridge social and economic missions. The novelty of this research lies in the presentation of a thematic map of the Scopus-based literature that explicitly synthesizes the intersection between governance, accountability, and accounting practices in a single analytical framework.*

Keywords: *BUMDes; governance; accountability; accounting practices; Scoping Review.*

INTRODUCTION

Rural economic development is a strategic agenda in development policies in various developing countries, including Indonesia, in line with increasing attention to decentralization and strengthening community-based local economies (Purnomo et al., 2020; Satoto et al., 2024). Villages are no longer positioned solely as objects of development, but as subjects who have the authority and capacity to manage local economic resources independently through village economic institutions (Purnomo et al., 2020). In this context, Village-Owned Enterprises (BUMDes) are formed as an institutional instrument that is expected to be able to encourage village economic growth, increase village original income, and expand community welfare through local potential-based business management (Sari et al., 2022; Satoto et al., 2024).

Normatively, BUMDes are seen as an institutional solution for strengthening the village economy, but empirical studies show that the existence of BUMDes is not always followed by optimal organizational performance (Sari et al., 2021, 2022). A number of BUMDes face structural and managerial obstacles, such as limited human resource capacity, weak internal control systems, and low quality financial reporting, transparency and organizational accountability (Muda & Erlina, 2020; Sudarlan et al., 2024; Suryanto et al., 2025). These findings indicate that the success of BUMDes is not only determined by policies or the availability of capital, but also by the quality of governance and accounting practices applied in village business management (Setyorini et al., 2023; Sriyono et al., 2022; Suryanto et al., 2025).

The issue of governance and accountability is a major concern in the literature on BUMDes and village-owned enterprises. The governance of BUMDes is often still administrative and oriented towards compliance with formal regulations, so it has not fully encouraged the effectiveness of management and public trust (Satoto et al., 2024). The accountability of BUMDes is often narrowed to the obligation to report to the village government, while the dimension of social accountability to the community has not been adequately developed (Basri et al., 2023; Fitriani et al., 2024). The complexity of these challenges in financial governance and reporting cannot be separated from the unique institutional characteristics of BUMDes. Conceptually, BUMDes can be understood as a hybrid organization that combines economic and social goals in one institutional entity (Karré & van Meerkerk, 2023).

On the one hand, BUMDes are required to operate efficiently and sustainably as a business unit, while on the other hand, BUMDes also bear social and public responsibilities to serve the interests of the village community (Basri et al., 2023). This duality of purpose often creates organizational tensions (organizational tension), especially in determining business priorities, decision-making mechanisms, and applied accountability and accounting practices (Basri et al., 2023; Karré & van Meerkerk, 2023). The tension of the hybrid organization is an important context to understand why various governance and accountability problems continue to recur in the management of BUMDes.

Although the study of BUMDes has continued to develop in the past decade, the existing literature still shows a fragmented character. Some studies focus on governance and policy aspects, while others highlight accountability, organizational performance, or accounting practices separately (Sari et al., 2021, 2022; Sudarlan et al., 2024). Variations in geographical contexts, methodological approaches, and analytical focus in the BUMDes literature make it difficult to obtain a comprehensive picture of research patterns, dominant themes, and research gaps. This condition shows the relevance of using the scoping review approach to map fragmented literature (Arksey & O'Malley, 2005).

Based on this background, this study aims to map and synthesize academic literature on governance, accountability, and accounting practices in Village-Owned Enterprises (BUMDes) through an approach scoping review (Arksey & O'Malley, 2005). This study specifically limited searches to Scopus indexed journal articles. The selection of this database aims to ensure that the reviewed literature has gone through a process *peer-review* and have international quality standards, as well as to position the discourse of BUMDes in the context of global academic debates regarding *village-owned enterprises*. Through this study, it is hoped that the development of BUMDes research, the main themes that dominate, and the research gap can be identified as the basis for the development of future research agendas in the field of village accounting.

MATERIALS AND METHODS

Research Design

This research is a non-empirical research based on literature studies using the *scoping review*. This method is used to systematically map and synthesize academic literature to obtain a comprehensive picture of research themes, trends, and gaps in the study of governance, accountability, and accounting practices in Village-Owned Enterprises

(BUMDes). Implementation *scoping review* In this study, it refers to the five-stage framework developed by Arksey dan O'Malley, (2005) and methodological refinement by Levac et al., (2010). In line with its characteristics, *scoping review* It does not include the assessment of the methodological quality of each study, but rather focuses on the mapping of the literature and the thematic synthesis of research results (Davis et al., 2009; Pham et al., 2014).

Stage 1: Identify the Research Question. Based on the background of the problems that have been described, this study formulates three research questions (*Research Questions - RQ*) as follows.

Table 1. Research Questions

Code	Research Questions	Purpose
RQ1	What are the characteristics of publication distribution (annual trends, geographical distribution, and methods) in the global literature?	Mapping the development of the quantity and distribution of studies (<i>extent of literature</i>).
RQ2	What are the dominant themes regarding governance, accountability, and accounting practices?	Identify the substantive focus and the main debate (<i>nature of literature</i>).
RQ3	What are the <i>research gaps</i> that need to be explored?	Provide recommendations for further research directions.

Source: Developed for this study based on Arksey & O'Malley (2005)

Stage 2: Identify relevant studies. The literature search is centered on the Scopus database to ensure methodological quality standards (*rigour*). The search strategy applies a combination of keywords that include the subject and the object of study, as detailed in the protocol in Table 2.

Table 2. Literature Search Protocol

Components	Remarks
Data Source	Scopus
Keywords	"Village-Owned Enterprise", "BUMDes", "Community Enterprise", "Rural Enterprise", "Accounting", "Governance", "Accountability"
Search String	TITLE-ABS-KEY (("Village-Owned Enterprise" OR "BUMDes" OR "Rural Enterprise" OR "Community Enterprise") AND ("Accounting" OR "Governance" OR "Accountability" OR "Financial Reporting" OR "Performance"))
Time Range	2014 – 2024 (last 10 years)
Document Type	Journal Articles
Search Objectives	Identify reputable academic literature that is relevant to the focus of the study

Source: Developed for this study based on the authors' search strategy (2025)

Stage 3: Study Selection. Selection is based on the following inclusion and exclusion criteria.

Table 3. Inclusion and Exclusion Criteria

Inclusions (Accepted)	Exclusion (Denied)
Discuss BUMDes or <i>village/community enterprises</i> .	The development of a general village without the context of organizational management.
Contains governance, accountability, or accounting issues.	Focus only on village development without a business context.

Scientific articles (Journals) indexed by Scopus.	Proceedings, <i>book chapters</i> , book reviews.
Selection Results	Quantity
Initial search results articles	±49
Selected articles for analysis	25

Source: Developed for this study following Arksey & O'Malley (2005)

Stage 4: Charting *the Data*. The data is extracted using a charting *form*.

Table 4. Data Extraction Elements

Data Elements	Remarks
<i>Author (Year)</i>	Author and year of publication
<i>Country/ Context</i>	Location or context of the research
<i>Object of study</i>	BUMDes / <i>village-owned enterprise</i>
<i>Research focus</i>	Governance, accountability, accounting, performance
<i>Research method</i>	Quantitative, qualitative, or conceptual

Source: Developed for this study following Levac et al. (2010)

Stage 5: Synthesis and Reporting of Results. The final stage involves processing the extracted data using descriptive analysis to answer RQ1, namely identifying trends in the publication and distribution of studies, as well as thematic analysis to answer RQ2 through the grouping of dominant themes in the literature. The findings were grouped based on the similarities of the issues discussed, such as hybrid tensions, political attachments, and the quality of financial reporting. Furthermore, the results of the synthesis were discussed integratively to identify research *gaps* as an answer to RQ3.

Table 5. Synthesis and Reporting of Results

Aspek Synthesis	Pendekatan
Teknik synthesis	Descriptive and thematic
Grouping policy	Similarities in focus and key findings
Tema utama	Governance & accountability; accounting practices; performance; hybridity and political attachment; Human Resources
Output	Analytical narrative and literature mapping table
Purpose	Identify research patterns and research gaps

Source: Developed for this study based on thematic analysis (2025)

RESULTS AND DISCUSSION

Study Characteristics (RQ1)

The mapping results show that publications on Village-Owned Enterprises (BUMDes) have increased more intensively in the 2019–2024 period. This trend indicates a strengthening of academic attention to community-based economic management, in line

with the increasing role of villages in the sustainable development agenda and the achievement of the Village SDGs. The increase in the number of studies in this period also reflects the shift in research focus from normative policy aspects to more in-depth analysis of institutional practices and management of village organizations. Geographically, literature is dominated by studies with an Indonesian context (Fitriani et al., 2024; Satoto et al., 2024), which is inseparable from the character of BUMDes in the village government system in Indonesia. Nevertheless, the existence of relevant comparative studies from China (Zhang et al., 2024), Thailand (Wungrath et al., 2022) South Africa (Chauke, 2015), as well as Europe (Karré & van Meerkerk, 2023) indicates that the issue *village-owned* or *community enterprises* It is also of concern in a variety of international contexts, albeit with different institutional settings and governance structures. The dominance of qualitative approaches and case studies in the literature reflects the researchers' efforts to understand the complexity of the phenomenon of BUMDes that is difficult to capture through a quantitative approach alone.

Thematic Analysis (RQ2)

The synthesis of literature findings produces four main themes that shape the academic discourse on the management of BUMDes.

The Dilemma of Hybridity and Organizational Tensions

The literature consistently positions BUMDes as hybrid organizations that must navigate two different institutional logics, namely a profitability-oriented market logic and a social logic oriented towards the welfare of rural communities. Karré & van Meerkerk, (2023) call this condition as *double hybridity*, which puts community organizations in a dilemma in determining strategic orientation and operational priorities. In the context of Indonesia, Basri et al., (2023) shows that institutional pressure from various stakeholders encourages BUMDes to balance social missions and economic demands, which in practice often gives rise to ambiguity in roles and unclear limits on managerial authority. This tension not only impacts strategic decision-making, but also influences governance design and accountability practices implemented.

Governance and Political Attachment

The second theme highlights the strong influence of local power structures on the governance of BUMDes. Satoto et al., (2024) and Zhang et al., (2024) Identifying Phenomena *political embeddedness*, where the involvement of local political actors, both village governments and party affiliations, significantly influences the direction and behavior of village businesses. This political attachment can in some cases provide resource support and legitimacy, but at the same time has the potential to reduce the managerial autonomy of BUMDes. However, Revida et al., (2023) reminding that governance that is too bureaucratic and oriented towards administrative control tends to hinder innovation and value creation. Therefore, the literature is driving a shift towards a more participatory and oriented approach to governance *value co-creation* between BUMDes and the village community (Revida et al., 2023; Sari et al., 2022; Satoto et al., 2024; Zhang et al., 2024).

Accountability and Reporting Quality Gaps

The third theme relates to accounting practices and financial reporting. Fitriani et al., (2024) reveals the gap between regulatory demands and the reality of practice in the field,

where BUMDes financial reporting is often symbolic and carried out to fulfill administrative obligations. From a technical perspective, Sriyono et al., (2022) and Sudarlan et al., (2024) shows that the limitations of organizational competence, especially in the field of accounting and financial management, lead to low adoption of strategic management accounting. As a result, financial information has not been optimally utilized as the basis for planning, controlling, and evaluating the performance of BUMDes.

Human Resources Challenges

The fourth theme emphasizes that the limitation of human resources is a cross-context problem. Studies from South Africa, Indonesia, and Thailand (Chauke, 2015; Muda & Erlina, 2020; Wungrath et al., 2022) It shows that low business and technology literacy is the main obstacle in village business management. Purnomo et al., (2020) emphasizing the importance of an empowerment model that is not partial, but integrates sectoral and spatial aspects so that the capacity development of BUMDes managers is in line with local potential and needs.

Table 6. Summary of Dominant Themes and Synthesis of the Literature

Tema Utama	Key Issues & Debates	Representative Literature
Hybridity <i>Dilemma</i>	• Tension of social vs. profit logic. • Ambiguity of the manager's role.	• Karre & van Meerkerk (2023) • Basri et al. (2023) • Fitriani et al. (2024)
Politics & Governance	• Political <i>embeddedness</i> . • Bureaucracy vs Innovation. • <i>Value co-creation</i> .	• Zhang & Chen (2024) • Satoto et al. (2024) • Revida et al. (2023) • Sari et al. (2022)
Accountability & Reporting	• Gap between expectations vs reality (symbolic). • Lack of strategic management accounting.	• Fitriani et al. (2024) • Sudarlan et al. (2024) • Sriyono et al. (2022)
Human Capital (<i>Human Capital</i>) Capabilities	• Low business & technology literacy. • Potential-based training needs.	• Wungrath et al. (2022) • Chauke (2015) • Muda & Erlina (2020)

Source: Thematic analysis of the reviewed literature (2025)

Research Gap (RQ3)

Based on this thematic synthesis, this study identifies a number of relevant research gaps for further study. Methodologically, the literature is still dominated by cross-sectional studies, so longitudinal research that is able to capture the dynamics and resilience of BUMDes in facing the cycle of village leadership change is still limited. From the technical side, there are still relatively few empirical studies that evaluate the application and adaptation of accounting standards that are relevant to BUMDes, such as SAK EMKM or ETAP, especially in the context of adjustment to local wisdom. In addition, empirical evidence regarding the concrete impact of financial technology (fintech) adoption on the operational efficiency and performance of BUMDes is also limited, thus opening up space for future research agendas.

CONCLUSIONS

The results of the scoping review of the Scopus indexed academic literature in the period 2014–2024 show that studies on Village-Owned Enterprises (BUMDes) have increased significantly since 2019, with the dominance of qualitative approaches and case

studies, and focusing mainly on the Indonesian context although supported by cross-country comparative studies. The thematic synthesis reveals that the management of BUMDes is faced with institutional complexity stemming from its characteristics as a hybrid organization, which raises tensions between social logic and market logic, influenced by political attachment in governance, and strengthened by gaps in accountability and quality of financial reporting that are still administrative.

In addition, the literature analyzed consistently highlights the limitations of human resource capabilities as a factor inhibiting the sustainability of BUMDes, especially in the aspects of business and technology literacy. In line with these findings, this study identifies research gaps that include the lack of longitudinal studies, limited technical studies on the application and adaptation of accounting standards in the context of village businesses, and lack of empirical evidence on the impact of financial technology adoption on the efficiency and performance of BUMDes. These findings confirm the importance of developing a more integrative and contextual research agenda to understand the dynamics of governance, accountability, and accounting practices of BUMDes under complex institutional pressures.

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