

Digital Transformation and Financial Strengthening for Village-Owned Enterprises to Accelerate Inclusive and Sustainable Rural Development

Marliza Noor Hayatie*, Rahmi Nadiar, Maulida Hirdianti Bandi, Annisa Tri Hidhayati, and Rahmatullah Alfikri

Accounting Study Program, Politeknik Negeri Tanah Laut, Pelaihari, Indonesia
marliza@politala.ac.id

Article Info	Abstract
Article history: Received: June 3, 2025 Accepted: August 22, 2025 Published: December 21, 2025 Keywords: Community empowerment Digital marketing Financial management Rural economy village-owned enterprise This article is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License © 2025 Bubungan Tinggi: Jurnal Pengabdian Masyarakat	This community service program aimed to strengthen the economic foundation of Guntung Besar Village by empowering its Village-Owned Enterprise (BUMDes) Mandiri Sejahtera through professional financial and digital marketing management. The program addressed problems such as the absence of standardized financial records, limited digital marketing skills, and a lack of product legality, like BPOM certification. The methods included participatory approaches, such as socialization, training in digital bookkeeping and e-commerce platforms (Tokopedia, Shopee, TikTok Shop), content creation, and assistance with BPOM registration. This community service program aimed to strengthen the economic foundation of Guntung Besar Village by empowering its Village-Owned Enterprise (BUMDes) Mandiri Sejahtera through digital transformation and financial literacy. The program addressed issues such as unstandardized bookkeeping, limited digital marketing skills, and a lack of product legality (BPOM). Activities included participatory training on Google Sheets, e-commerce platforms (Tokopedia, Shopee, and TikTok Shop), branding design, and assistance with BPOM applications. To cite this article: Hayatie, M. N., Nadiar, R., Bandi, M. H., Hidhayati, A. T., & Alfikri, R. (2025). Digital Transformation and Financial Strengthening for Village-Owned Enterprises to Accelerate Inclusive and Sustainable Rural Development. <i>Bubungan Tinggi: Jurnal Pengabdian Masyarakat</i>, 7(4), 891-905.

INTRODUCTION

Village-Owned Enterprises (Badan Usaha Milik Desa or BUMDes) have emerged as a vital instrument in Indonesia's national strategy for rural economic development, decentralization, and poverty alleviation. Established under Law No. 6/2014 on Villages, BUMDes are community-owned institutions intended to manage local resources, create job opportunities, and generate sustainable income for rural populations ([UU No 6., 2014](#)). In a country where over 43% of the population resides in rural areas, BUMDes represent a transformative model of grassroots economic empowerment and participatory governance ([Amran & Priyadi, 2022](#); [Huruta et al., 2020](#)). However, despite their rapid growth, which exceeded 75,000 units as of 2023, the quality, capacity, and sustainability of BUMDes operations vary significantly across regions.

One of the most pressing issues in rural economic development today is the gap between potential and performance. Many BUMDes are endowed with valuable local products and rich natural resources but remain unable to convert these into viable business operations due to limited managerial capacity, poor financial governance, and lack of market access. This phenomenon is particularly evident in Guntung Besar Village,

Pelaihari District, South Kalimantan. BUMDes Mandiri Sejahtera, the local enterprise, produces *gula semut* (granulated palm sugar) and *lahang* (a traditional drink from palm sap), products with strong market potential due to their artisanal quality and cultural uniqueness. Yet, the enterprise struggles to scale due to conventional production methods, weak branding, and an absence of standardized management practices ([Syam et al., 2020](#)).

The motivation for selecting this topic stems from the urgent need to bridge these operational gaps by equipping BUMDes with the necessary tools, skills, and digital capacity to function as modern, community-driven businesses. [Hayatie et al., \(2021\)](#) state that introducing online-based marketing strategies for micro, small, and medium enterprise (MSME) products can equip youth with the skills needed to promote products through social media platforms. In the case of BUMDes Mandiri Sejahtera, critical weaknesses include reliance on handwritten financial records, a lack of product legality, such as BPOM certification, and underutilization of digital marketing channels like Tokopedia, Shopee, and TikTok Shop. These limitations constrain the enterprise's ability to attract consumers outside its immediate locality, ultimately hindering growth, competitiveness, and sustainability. As highlighted by [Nugroho et al., \(2023\)](#), financial illiteracy and informal practices are among the most common barriers to accountability and scalability in rural enterprises.

Adding to the complexity is the lack of strategic marketing and product registration, which prevents them from entering broader distribution channels. While digital marketplaces have expanded opportunities for small businesses, many rural enterprises struggle to adapt due to digital skill gaps. Product packaging and branding also remain minimal and do not meet industry standards. This makes it difficult to build consumer trust or comply with food safety regulations imposed by the Indonesian Food and Drug Authority (BPOM). According to ([Fridayanti & Prathama, 2022](#)), legal compliance and digital visibility are now non-negotiable elements of market expansion for community enterprises.

Given this backdrop, this community service program aims to address these interlinked challenges through a three-pronged strategy: (1) training in digital financial management using tools like Google Sheets and Microsoft Excel, (2) practical workshops on branding and e-commerce-based marketing, and (3) assistance with administrative processes for BPOM registration. These interventions are designed not merely as one-off solutions but as foundational elements to establish sustainable, replicable business processes that can be internalized by the BUMDes ([Hadiyanti et al., 2024](#)).

From a policy alignment perspective, the program supports multiple national and global development agendas. It contributes directly to the Sustainable Development Goals (SDGs), particularly Goals 1 (No Poverty), 8 (Decent Work and Economic Growth), and 12 (Responsible Consumption and Production). It also aligns with the sixth point of Asta Cita, the national vision to build productive and self-sufficient communities. It strengthens key performance indicators for higher education, including IKU 2 (student involvement in community engagement) and IKU 5 (knowledge transfer to society) ([Permendikbud No 3, 2020](#)).

Unlike most BUMDes strengthening programs that typically focus on isolated aspects such as entrepreneurship training or financial management alone, this initiative adopts an integrative approach that combines digital transformation, financial capacity building, and product legality facilitation within a single, structured intervention. This approach offers not only technical solutions but also addresses the structural challenges commonly faced by BUMDes, such as limited market access, weak financial transparency, and lack of business legality. By involving local communities, university students, and higher

education institutions collaboratively, the program introduces a new model in community engagement literature, one that goes beyond charity-based efforts and aims toward long-term institutional transformation. As such, this integrative approach deserves further attention as an innovative model for accelerating inclusive and sustainable rural development through locally driven economic empowerment.

Despite the growing number of studies and interventions related to BUMDes development, a significant research gap remains in how digital and financial empowerment can be operationalized simultaneously at the grassroots level, particularly in underperforming BUMDes with limited institutional maturity. Most existing literature tends to focus either on policy frameworks or on success stories of well-established BUMDes, leaving a void in practical models for those that are still in the early stages of development. This project seeks to contribute to that gap by implementing and documenting an integrated model for managerial, digital, and legal empowerment within a real community context.

Ultimately, this program aims to build a digital-ready, financially literate ecosystem within BUMDes Mandiri Sejahtera that can not only thrive locally but also serve as a replicable model for rural economic transformation elsewhere in Indonesia. Through a synergistic blend of community participation, academic facilitation, and adaptive digital tools, the program seeks to unlock the latent potential of village enterprises to drive inclusive and sustainable development.

METHODS

Location and Approach

This community service program was conducted in Guntung Besar Village, Pelaihari District, Tanah Laut Regency, South Kalimantan, Indonesia. The village was selected due to its economic potential, particularly in palm-based products (such as *gula semut* and *lahang*) and the identified managerial and operational weaknesses of its BUMDes. The program adopted a participatory and collaborative approach, designed to involve all relevant stakeholders, including BUMDes personnel, village officials, local residents, and academic facilitators. Such approaches are effective in rural development programs as they foster local ownership, trust, and sustained engagement ([Pamungkas et al., 2025](#)).

The participatory model allowed beneficiaries to take an active role in both planning and implementation, ensuring that solutions were contextually relevant and community-driven. By combining academic expertise with local knowledge, the initiative aimed to co-create practical interventions tailored to the needs of BUMDes Mandiri Sejahtera. This approach aligns with best practices in community development, which emphasize inclusivity, capacity building, and long-term impact ([Kuswanto & Irzal, 2023](#)).

In addition to participatory collaboration, the program also employed the Participatory Action Research (PAR) method. This method emphasized collaborative inquiry, continuous reflection, and iterative learning cycles that directly involved community members in diagnosing problems, implementing solutions, and evaluating results ([Snapp et al., 2023](#)). Furthermore, the intervention was informed by the Asset-Based Community Development (ABCD) approach, which focuses on identifying and mobilizing existing community strengths (such as local skills, traditions, and resources) as the foundation for sustainable development ([Campo & De Guzman, 2024](#)). Rather than focusing solely on problems, ABCD helped highlight the economic potential of palm-based products and the social capital within the BUMDes network.

Socialization and Stakeholder Engagement

The first stage of implementation involved structured socialization sessions with key village stakeholders. These sessions introduced the program's goals, strategies, and expected outcomes to village heads, BUMDes administrators, and community representatives. The purpose was to generate awareness, build trust, and align expectations among all parties involved. Effective communication during this phase was essential to encourage active participation and reduce potential resistance to change.

The socialization also served as a diagnostic platform to capture specific local concerns and suggestions that could shape the implementation strategy. Stakeholders expressed enthusiasm for capacity-building initiatives, especially in digital financial management and product marketing. This collaborative design process laid the foundation for a responsive and community-centric implementation, a critical factor in ensuring relevance and sustainability in rural enterprise development programs ([Kuswanto & Irzal, 2023](#)). This stage also aligned with the principles of PAR and ABCD by facilitating open dialogue, community listening, and asset identification, ensuring that local voices and strengths shaped the program from the outset.

Capacity Building: Training Activities

The core of the intervention involved a series of targeted training sessions tailored to the operational needs of BUMDes Mandiri Sejahtera. These included: (1) basic financial management using Microsoft Excel and Google Sheets, (2) branding and packaging design for local products, and (3) digital marketing and e-commerce utilization through Tokopedia, Shopee, and TikTok Shop. Each module was delivered using hands-on methods and real-life examples to ensure immediate applicability. These activities aimed to strengthen participants' competencies in managing financial data, creating product appeal, and expanding market reach.

The training sessions were structured to accommodate different levels of digital literacy and were facilitated by academic staff experienced in community empowerment and MSME development. Participants were given worksheets, templates, and digital tools that could be easily adapted to BUMDes operations. Empirical studies have confirmed that equipping rural entrepreneurs with digital and financial skills contributes significantly to enterprise sustainability and competitiveness ([Amalia et al., 2025](#); [Hadiyanti et al., 2025](#)). The training phase also reflected PAR's learning-by-doing principle and ABCD's focus on peer learning by encouraging participants to share their experiences and apply newly gained knowledge using existing community strengths.

Mentoring and Implementation

Following the training, the program entered a mentoring and implementation phase. Academic facilitators worked closely with BUMDes personnel to apply the knowledge gained, such as recording daily transactions in digital formats, generating monthly financial reports, creating digital content for e-commerce, and managing order fulfillment. In parallel, support was provided for the registration of BUMDes' products with the Indonesian Food and Drug Authority (BPOM), covering both technical documentation and online submission.

The mentoring was conducted through weekly field visits and remote consultations to ensure continuity. Facilitators provided feedback, addressed challenges in real time, and encouraged iterative improvements. This phase emphasized learning-by-doing and contextual adaptation, principles which have been shown to enhance the impact of community-based capacity-building programs ([Nugroho et al., 2023](#)). The hands-on implementation not only solidified training outcomes but also built institutional habits

and workflows within the BUMDes team. This mentoring process exemplified PAR by facilitating iterative cycles of reflection and improvement, while ABCD ensured that implementation strategies were built upon the BUMDes' existing operational practices and community assets.

Monitoring, Evaluation, and Sustainability

To evaluate the effectiveness of the intervention, the program employed a mixed-method monitoring strategy. Pre-tests and post-tests were used to assess knowledge gain, while structured interviews and field observations were conducted to examine behavioral changes and adoption levels. Monitoring took place monthly, allowing the team to adapt approaches and ensure that implementation challenges were addressed promptly. These evaluation tools ensured transparency and accountability in program delivery.

Sustainability was embedded through the formation of an internal BUMDes task force trained to oversee ongoing digital financial operations and online marketing. Additionally, a sustainability roadmap was developed collaboratively with village authorities, identifying milestones and assigning responsibilities. University students also played a key role in program continuity by serving as digital facilitators and documentation officers, in line with the Indonesian higher education policy on community engagement under the MBKM framework ([Ponoharjo et al., 2022](#)). Both PAR and ABCD informed the sustainability strategy by encouraging local ownership, continuous feedback, and capacity development through community-driven leadership and institutional learning.

RESULTS AND DISCUSSION

The implementation of the community service program in Guntung Besar Village achieved the core objectives of strengthening the Village-Owned Enterprise (known as BUMDes) Mandiri Sejahtera. To provide a clearer view of the field activities and initial engagement with the community, Figure 1 documents one of the key moments during the implementation phase in Guntung Besar Village.



Figure 1 Community service program in Guntung Besar Village

The results encompass five interrelated domains: financial management, digital marketing, product legality, community empowerment, and student involvement. Each outcome is discussed in depth below, including data summaries and analytical interpretation supported by clean results in tabular form.

Improvement of Financial Management

The transition from manual to digital financial management represents a pivotal advancement in improving the administrative and operational capacity of BUMDes

Mandiri Sejahtera. Before the intervention, the financial documentation process was rudimentary, relying solely on handwritten notes that were neither standardized nor systematically organized. This method not only hindered BUMDes personnel's ability to monitor daily financial transactions accurately but also created challenges in generating periodic financial reports. The absence of verifiable financial records limited internal oversight and severely undermined transparency and accountability, particularly in the eyes of village stakeholders and potential external partners. To understand the baseline challenges faced by BUMDes administrators and local residents, their direct feedback was sought during the initial assessment phase.

Through structured training sessions and one-on-one mentoring, BUMDes staff were introduced to user-friendly digital tools, specifically, Google Sheets and Microsoft Excel. These tools enabled them to record, store, and process financial transactions in real time using organized templates for cash flow logs, income statements, and balance sheets. By adopting these digital systems, BUMDes shifted from reactive, ad hoc bookkeeping to a proactive, traceable financial management approach. This transition empowered administrators to track finances, make data-informed decisions, and produce standardized quarterly financial reports. The feedback gathered during this stage helped ensure that training modules were tailored to actual pain points experienced by BUMDes personnel and the broader village community. Comparison of financial management practices before and after program implementation is shown in Table 1.

Table 1 Comparison of financial management practices before and after program implementation

No	Financial Management Aspect	Before Program	After Program
1	Bookkeeping Format	Manual Notes	Google Sheets, Excel Templates
2	Transaction Recording Frequency	Irregular	Daily/Weekly
3	Financial Report Generation	None	Quarterly reports (simplified)
4	Staff's Financial Literacy Level	Low	Medium-High
5	Internal Transparency and Accountability	Minimal	Significantly Improved

These changes were not merely technical; they signified a deeper cultural and behavioral transformation within the organization. Before the program, staff's financial responsibilities were often perceived as secondary or informal tasks, leading to inconsistencies and a lack of accountability. However, after implementing digital systems and accompanying capacity-building sessions, staff began to take greater ownership of their financial roles. They demonstrated increased diligence in recording transactions promptly, verifying data accuracy through routine error checks, and generating structured financial reports for presentation to both internal stakeholders and the village administration.

These tools enabled them to record, store, and process financial transactions in real time using organized templates for cash flow logs, income statements, and balance sheets. By adopting these digital systems, BUMDes shifted from reactive, ad hoc bookkeeping to a proactive, traceable financial management approach. This transition empowered administrators to track financials, make data-informed decisions, and produce standardized quarterly financial reports. The scope and impact of these improvements are summarized in Table 1, which provides a clear before-and-after comparison across key financial management indicators.

Table 1 illustrates the shift from manual, irregular note-taking to structured, digital documentation. Notably, financial literacy improved from low to medium-high, and

internal accountability was significantly enhanced. This comparison reinforces the program's success in transforming both technical capabilities and behavioral attitudes related to financial governance. The data also confirms that even simple tools like Google Sheets can have outsized impacts when embedded in a structured training and mentoring process.

This shift indicated an evolution in organizational mindset, from reactive to proactive financial governance. Staff members not only gained technical competence but also embraced a sense of professionalism and responsibility in fulfilling their administrative duties. As noted by (Nugroho et al., 2023), the integration of basic yet systematic financial tools in rural enterprises plays a crucial role in fostering institutional trust. When financial information is transparent, verifiable, and accessible, it strengthens stakeholder confidence, enhances internal decision-making, and contributes to the organization's long-term operational stability. In the context of BUMDes Mandiri Sejahtera, these developments marked an important step toward institutional maturity, where accountability and transparency are embedded in daily operations.

Strengthening Digital Marketing Practices

Digital transformation in the marketing function emerged as one of the program's most significant achievements, directly addressing the BUMDes' previously limited market reach and underutilized digital assets. Before the intervention, the enterprise's e-commerce accounts (established on platforms such as Tokopedia, Shopee, and TikTok Shop) existed merely in form, with no active listings, content, or engagement. This state of digital dormancy reflected a broader lack of digital literacy and strategic awareness among the BUMDes team regarding the opportunities online commerce offers to expand rural product visibility and consumer base. To illustrate the improvement in product branding and packaging,

Through a series of targeted workshops and ongoing mentoring, BUMDes personnel were equipped with practical skills in digital branding, content creation, and platform management. They learned how to craft compelling product descriptions, take high-quality product photographs using mobile devices, and schedule promotional activities aligned with platform algorithms. More importantly, they gained an understanding of how to maintain a consistent digital presence and respond to customer inquiries in a timely and professional manner. As a result, BUMDes Mandiri Sejahtera successfully transitioned from a passive digital presence to an active and functional e-commerce operation. This transformation enabled the enterprise to showcase its local products (such as *gula semut* and *lahang*) to a broader regional and even national audience, thereby overcoming geographical and logistical limitations that traditionally constrained rural marketing channels.

The rebranding process included redesigning the product logo, packaging layout, and labelling to ensure legal compliance. This was conducted collaboratively with BUMDes managers and supported by university students who applied design-thinking principles. The result was a more modern, cohesive, and legally compliant packaging system that significantly improved marketability. This branding improvement was instrumental in positioning the product as a viable, competitive commodity in both local and online marketplaces. Utilization of digital platforms and sales performance are shown in Table 2.

Table 2 Digital platform utilization and sales performance

No	Platform	Status Before Program	Status After Program
1	Tokopedia	Inactive	Active, product listings
2	Shopee	Inactive	Active, product listings
3	TikTok Shop	Inactive	Active, product listings

This steady stream of transactions signified more than just initial sales—it marked a breakthrough moment for BUMDes Mandiri Sejahtera in successfully penetrating digital markets. For the first time, the enterprise was able to convert digital visibility into tangible economic outcomes, thereby validating the commercial potential of its local products. These results revealed a latent yet substantial demand for traditional village commodities, such as *gula semut* (granulated palm sugar) and *lahang* (fermented palm drink), particularly among urban and health-conscious consumers seeking authentic, natural, and culturally distinctive alternatives.

What enabled this breakthrough was not merely the act of uploading products online, but the integration of professional branding strategies, consistent platform management, and context-specific promotional content. Visual storytelling, attractive packaging, and responsive digital communication enhanced consumer trust and improved conversion rates. This supports the argument by [Hadiyanti et al., \(2025\)](#), who emphasize that digital visibility is not only about presence but also about performance—how products are perceived, packaged, and positioned in digital ecosystems. By bridging traditional value with modern presentation, BUMDes shifted from a passive local seller to an emerging rural brand with potential for broader market expansion. These early successes now serve as proof-of-concept for scaling up marketing activities and applying similar strategies to other rural enterprises seeking to thrive in the digital economy.

Product Registration and Legal Compliance

Regulatory compliance was a strategic focus of the program, particularly the formal registration of gula semut with the Indonesian Food and Drug Authority (BPOM). This process was critical to elevating the product's legitimacy and marketability, especially for expanding into formal retail channels and institutional procurement. The absence of official certification had previously limited the BUMDes' ability to sell its products beyond informal or local markets, as uncertified food products are often excluded from supermarkets, public sector supply chains, and large-scale digital marketplaces that require legal guarantees of safety and hygiene.

The registration process was extensive and required detailed preparation across multiple domains. With the guidance of academic facilitators, the BUMDes team compiled comprehensive documentation including ingredient specifications, production process flowcharts, hygiene and sanitation protocols, nutritional information, and photographs of the production facilities. This documentation not only met regulatory requirements but also led to a significant internal improvement in operational discipline and quality assurance standards. The application was officially submitted to BPOM, and while final approval was still pending at the time of reporting, establishing direct communication channels with regulatory authorities marked a crucial institutional milestone.

The experience also served an educational function, equipping BUMDes management with procedural knowledge and familiarity with food regulatory systems that they previously lacked. As [Fridayanti & Prathama \(2022\)](#) highlight, regulatory illiteracy is often a silent barrier preventing rural enterprises from scaling their operations despite having viable products. Thus, this intervention bridged a critical knowledge gap while simultaneously advancing the enterprise's legal standing. Achieving product legality is not only a regulatory necessity but also a competitive advantage, signalling professionalism, product safety, and readiness for national market integration. Progress in the BPOM registration process is shown in Table 3.

Table 3 Progress in BPOM registration process

No	Registration Step	Status
1	Document Preparation	Completed
2	Hygiene Protocol Compilation	Completed
3	Production Site Photo Documentation	Completed
4	Communication with BPOM	Established Contact
5	Certification Outcome	In Progress (Pending Approval)

Although the conclusion of the program had not yet finalized the BPOM certification, the initiative succeeded in achieving a critical interim outcome: it demystified the regulatory process for the BUMDes management team. Before the intervention, obtaining product legality was perceived as complex, bureaucratic, and inaccessible. This perception often leads rural enterprises to delay or avoid formal registration altogether, reinforcing cycles of informality and market limitation. Through a combination of practical mentoring, document preparation workshops, and direct communication with regulatory officers, the program helped clarify each stage of the certification process—transforming it from an intimidating administrative barrier into a manageable and actionable goal.

This experience aligns with the findings of [Fridayanti & Prathama \(2022\)](#), who argue that in many cases, the primary bottleneck to certification among rural producers is not product quality, but procedural knowledge. Many village enterprises already produce goods that meet safety and hygiene standards informally but lack the institutional literacy to navigate documentation, formatting requirements, and submission protocols. By equipping BUMDes Mandiri Sejahtera with this knowledge, the program not only advanced its own registration process but also laid the foundation for a replicable internal system for future products. Moreover, the initiative instilled confidence and motivation in the BUMDes team to actively pursue legal formalization—a shift in mindset that is equally important as the certification itself. As such, the program created long-term value beyond immediate outcomes, contributing to the formalization and professionalization of rural enterprise operations.

The program emphasized inclusive participation by organizing community literacy sessions targeting youth and women, focusing on financial awareness, digital marketing, and entrepreneurship. In total, over 15 residents engaged in these activities, with five individuals (primarily women and young adults) later joining the BUMDes operations team. Table 3 presents a summary of participant engagement and role distribution before and after the program implementation.

As shown in Table 3, before the intervention, BUMDes involvement was limited to a small number of male administrators. After the literacy program, the gender and age composition diversified significantly, with increased participation by women (from 0 to 3 members) and youth (from 1 to 4 members). This shift reflects the program's success in fostering more inclusive and representative community engagement. Such expansion not only strengthens human resources but also enhances local ownership and the sustainability of BUMDes activities.

Social Empowerment and Community Participation

Community engagement was a central pillar of the program's strategy and was actively cultivated through structured public literacy sessions and inclusive workforce development practices. These literacy sessions were designed not only to inform but also to inspire participation by introducing villagers to the concept of BUMDes as a community-owned enterprise that could serve as a sustainable driver of local economic

development. Many residents were unfamiliar with how BUMDes operates, its revenue-generating mechanisms, or the roles that community members could play in its success. By presenting the BUMDes business model in accessible terms, emphasizing transparency, profit-sharing, and reinvestment into community welfare, the program effectively positioned BUMDes as a shared opportunity rather than an elite institution operated by a few individuals.

This educational outreach played a transformative role in shifting community perceptions from passive observers to active stakeholders. During the sessions, villagers were encouraged to ask questions, offer suggestions, and identify areas where they could contribute, either as suppliers, workers, marketers, or supporters. The sessions also helped to demystify financial terms, organizational structures, and operational procedures, thereby reducing the knowledge gap between the BUMDes leadership and the broader village population. This aligns with best practices in participatory development, which emphasize that empowerment begins with understanding and is sustained through involvement. As a result of this approach, community members became more willing to engage with BUMDes activities, express their opinions, and hold the institution accountable, thereby strengthening both social cohesion and institutional legitimacy.

In alignment with the Merdeka Belajar Kampus Merdeka (MBKM) framework, five students from the Faculty of Economics and Business participated in the program. They were involved in various activities, including digital financial management, product branding, content creation, and program documentation. This not only provided students with real-world experience but also strengthened the technical capacity of BUMDes operations. The scope and nature of student involvement are visually illustrated in Figure 4, which maps their roles across different program components.

Figure 4 highlights how student contributions were integrated into key stages of the intervention—from designing financial templates and creating digital content to assisting with e-commerce activation and social media management. This structured engagement model demonstrates a practical application of MBKM values by fostering collaborative, interdisciplinary learning that directly supports community development. The success of this integration underscores the potential of academic-community partnerships in achieving dual impact: student competence and village progress. Social empowerment activities and impacts are listed in Table 4.

Table 4 Social empowerment activities and impact

No	Activity	Details
1	Community Literacy Sessions	3 sessions conducted
2	Average Attendance per Session	15+ residents per session
3	New Workforce Integration	5 individuals
4	Target Group	Women, unemployed youth
5	Roles Assigned	Packaging, digital marketing

The recruitment of vulnerable groups (particularly women and unemployed youth) into the BUMDes workforce was not only a tactical decision to fill operational roles but a strategic move to advance both social equity and organizational sustainability. These groups, often excluded from formal economic participation due to structural barriers such as limited education, caregiving responsibilities, or lack of access to networks, were intentionally prioritized during the program's workforce expansion. By involving them in core functions such as packaging, content creation, and digital marketing, the program not only provided them with meaningful employment but also recognized and utilized their untapped potential.

Their integration brought fresh energy, diverse perspectives, and greater adaptability to the enterprise, enhancing its capacity to innovate and respond to dynamic market

needs. This move also reinforced the BUMDes' role as a socially responsive institution that does not merely generate profit, but contributes to inclusive development. ([Kuswanto & Irzal \(2023\)](#)) emphasize that empowerment strategies, which deliberately include marginalized populations significantly strengthen the sense of ownership, legitimacy, and collective responsibility within rural enterprises. When communities see their most vulnerable members actively participating and benefiting, trust in the institution grows, and so does long-term commitment. In this way, inclusion becomes a reinforcing mechanism for sustainability, not only in economic terms but in social cohesion, accountability, and resilience. The involvement of women and youth thus represents more than representation; it marks a transformation in how the BUMDes operates as a community-rooted, inclusive engine of progress.

Student Engagement and Experiential Learning

Aligned with the *Merdeka Belajar Kampus Merdeka (MBKM)* policy initiated by the Indonesian Ministry of Education, the program strategically involved university students in various technical and communicative roles throughout its implementation. The MBKM framework promotes experiential learning through real-world engagement, encouraging students to go beyond classroom settings and contribute directly to solving societal challenges. In this context, student involvement was not merely supplementary but integral to the program's success. They participated in activities such as digital content creation, social media management, e-commerce operations, and documentation, thereby addressing existing skill gaps within the BUMDes team, particularly in areas requiring digital fluency and visual communication expertise.

Their presence also fostered intergenerational collaboration, blending the younger generation's academic knowledge and technological expertise with the village stakeholders' local wisdom and lived experience. This synergy enhanced the BUMDes team's adaptability in adopting digital tools, as students served as both trainers and co-implementers. Moreover, students gained critical soft skills (such as teamwork, empathy, leadership, and communication) by working closely with local communities, thereby fulfilling the MBKM objective of producing graduates who are not only academically competent but also socially engaged and solution-oriented. As supported by ([Ponoharjo et al., 2022](#)), student participation in community service programs under MBKM creates a mutually beneficial relationship: communities receive innovation and youthful energy, while students acquire meaningful learning experiences rooted in societal relevance and local context. Thus, the integration of students into this program reinforced the dual mission of academic impact and community empowerment. The roles and contributions of university students are listed in Table 5.

Table 5 Roles and contributions of university students

No	Student Role	Contribution
1	Digital Content Creation	Social media posts, branding support
2	Documentation and Reporting	Activity reports, photo/video logs
3	E-commerce Operations	Platform management, product uploads
4	Media Production	Product photography and videography
5	Community Interaction	Facilitation, communication bridge

This partnership between the academic institution and the BUMDes not only addressed practical needs at the village level but also served as a powerful platform for knowledge exchange and experiential learning. Students were not positioned merely as observers or assistants; they were active contributors, responsible for executing real tasks with tangible outcomes (such as managing online stores, creating branding materials, and facilitating training sessions) for the local team. These experiences

demanding creative problem-solving and adaptability, pushing students beyond theoretical understanding into applied practice. In doing so, the collaboration fostered a dynamic environment where innovation could emerge organically from the interplay of academic insight and local wisdom.

Moreover, the immersive nature of the program enhanced students' learning outcomes across cognitive, affective, and behavioral domains. Beyond gaining technical skills in digital marketing, media production, and communication, students reported improved empathy, a stronger sense of civic duty, and a more grounded understanding of Indonesia's rural economic realities. As supported by [Ponoharjo et al., \(2022\)](#), community-based experiential learning programs not only strengthen academic competence but also cultivate social sensitivity and ethical awareness, traits that are essential for developing socially responsible graduates. By engaging directly with underserved communities, students were challenged to think critically about inequality, access, and empowerment, thus internalizing lessons that are difficult to teach within the confines of traditional classroom instruction. Ultimately, this reciprocal model of engagement elevated the program from a community service initiative into a transformative educational experience for all participants.

Interpretation and Synthesis

Overall, the program achieved its objectives by implementing a participatory, skill-building, and digitally integrated model of community empowerment. It proved that sustainable transformation of rural enterprises requires an interconnected strategy encompassing technical training, social inclusion, legal compliance, and youth involvement. Theoretically, this model supports the institutional capacity-building framework and contributes to the empirical understanding of how rural enterprises can be formalized and scaled through local partnerships and digital innovation. Future models may refine this by integrating monitoring dashboards or cooperative marketing networks for multiple BUMDes.

CONCLUSION

The implementation of this community service program in Guntung Besar Village has effectively strengthened the institutional capacity of BUMDes Mandiri Sejahtera through a structured, participatory, and digital-based approach. Key improvements were observed in financial management, where the adoption of digital bookkeeping enhanced transparency and accountability. The activation and consistent use of e-commerce platforms, supported by improved product branding, successfully expanded the market reach of local products such as *gula semut* and *lahang*.

In addition, the initiation of BPOM registration marked a significant step toward legal product certification and supported broader distribution channels. The program also fostered social empowerment through community education and inclusive workforce integration. The involvement of students not only enriched the program's digital implementation but also provided valuable experiential learning aligned with national higher education objectives.

Overall, the program demonstrated that combining digital innovation, managerial capacity-building, and inclusive community engagement can transform a village enterprise into a professionally managed, legally compliant, and economically competitive institution. This model holds strong potential for replication in other rural areas seeking sustainable economic development.

CONFLICTS OF INTEREST

The authors declare that there is no conflict of interest.

AUTHOR CONTRIBUTIONS STATEMENT

Conceptualization, MNH and RN; methodology, MNH; formal analysis, MNH; investigation, RN and ATH; resources, MHB; data curation, RA; writing—preparation of the original draft, MNH; writing—review and editing, RN and ATH; supervision, MNH; project administration, MNH. Authorship is limited to those who have contributed substantially to the reported work.

ACKNOWLEDGMENTS

The authors would like to express their sincere gratitude to the Ministry of Education, Culture, Research, and Technology of the Republic of Indonesia for funding this community service program through the 2025 Empowering Community Partnerships scheme. Appreciation is also extended to the government of Guntung Besar Village and the management of BUMDes Mandiri Sejahtera for their cooperation, support, and active participation throughout the implementation of the program.

REFERENCES

- Amalia, R., Aini, R. Q., Paradita, J., & Mirza BR, A. D. (2025). Bridging the digital divide: the role of technology in enhancing rural smes in indonesia. *Jurnal Ilmu Manajemen Dan Bisnis*, 16(1), 27–34. <https://doi.org/10.17509/jimb.v16i1.82681>
- Amran, S., & Priyadi, U. (2022). Optimization of empowerment and development of village economic potential through village owned business entities (bumdes)(panggunharjo kapanewon kasihan village in bantul regency). *International Journal of Economics, Business and Accounting Research (IJEBAR)*, 6(1), 430-438.
- Campo, C., & De Guzman, R. (2024). An asset-based community development (abcd) approach to integrating natural capital as touristic assets. *Journal of Management, and Development Research*, 1(1), 1–12. <https://doi.org/10.69739/JMDR.V1I1.71>
- Fridayanti, E. Y., & Prathama, A. (2022). The governance village owned enterprises (bumdesa) “maju mandiri sejahtera” in socorejo village jenu district tuban regency. *DIA: Jurnal Ilmiah Administrasi Publik*, 20(1), 90–100.
- Hadiyanti, P., Darmawan, D., Sasmita, K., Jafar, M. M., & Dalimunthe, H. H. B. (2025). Empowering rural entrepreneurship: Innovating through village-owned enterprises. *Journal of Nonformal Education*, 10(2), 414–424. <https://doi.org/10.15294/jone.v10i2.5998>
- Hadiyanti, P., Sasmita, K., Jafar, M. M., Herawaty, H., & Dalimunthe, B. (2024). Empowering rural entrepreneurship: innovating through village-owned enterprises. *Journal of Nonformal Education*, 10(2), 414-424. <https://doi.org/10.15294/jone.v10i2.5998>
- Hayatie, M. N., Gautama, M. S., & Sur, W. A. A. (2021). Sosialisasi strategi pemasaran berbasis online pada produk usaha mikro kecil dan menengah. *Bubungan Tinggi: Jurnal Pengabdian Masyarakat*, 3(1), 58–62.
- Huruta, A. D., Kundhani, E. Y., & Manurung, C. R. (2020). The development of village-owned enterprises: Lessons learned from Ponggok Village. *Masyarakat, Kebudayaan Dan Politik*, 33(1), 77.
- Kuswanto, K., & Irzal, A. (2023). Structural model of community participation in rural development in jambi province, indonesia. *Population and Economics* 7(2): 115-141, 7(2), 115–141. <https://doi.org/10.3897/POPECON.7.E97189>

- Nugroho, T. W., Rahman, M. S., Toiba, H., Andriatmoko, N. D., Hartono, R., & Shaleh, M. I. (2023). Does financial literacy matter for village-owned enterprises' (VOEs) performance? Evidence from East Java Indonesia. *Taylor & FrancisTW Nugroho, MS Rahman, H Toiba, ND Andriatmoko, R Hartono, MI ShalehCogent Social Sciences*, 2023•Taylor & Francis, 9(2). <https://doi.org/10.1080/23311886.2023.2263945>
- Pamungkas, B., Puspitasari, R., Mulyana Gilang Gumilang, M., Azhar, R., & Nurhakim, L. (2025). Optimizing empowerment of village community to support the sustainability. *International Journal of Progressive Sciences and Technologies (IJPSAT)*, 49(1), 629–632. <https://ijpsat.org/>
- Permendikbud No 3. (2020). *Peraturan Menteri Pendidikan dan Kebudayaan Nomor 3 Tahun 2020 tentang Standar Nasional Pendidikan Tinggi*.
- Ponoharjo, Wahyuningsih, E. D., Oktaviani, D. N., Utami, Wi. B., & Fadila, F. (2022). Persepsi mahasiswa ditinjau dari student engagement pada implementasi merdeka belajar kampus merdeka. *Jurnal Pendidikan Surya Edukasi (JPSE)*, 8(1). <https://doi.org/10.37729/JPSE.V8I1.2073>
- Snapp, S. S., Bezner Kerr, R., Bybee-Finley, A., Chikowo, R., Dakishoni, L., Grabowski, P., Lupafya, E., Mhango, W., Morrone, V. L., Shumba, L., & Kanyama-Phiri, G. (2023). Participatory action research generates knowledge for sustainable development goals. *Frontiers in Ecology and the Environment*, 21(7), 341–349. <https://doi.org/10.1002/FEE.2591>
- Syam, M., Suratno, S., & Djaddang, S. (2021). Literasi tatakelola bumdes (badan usaha milik desa). *CAPACITAREA: Jurnal Pengabdian Kepada Masyarakat*, 1(02), 67-79. <https://doi.org/10.30874/capacitarea.2020.2>
- UU No 6. (2014). *Undang-Undang Republik Indonesia Nomor 6 Tahun 2014 tentang Desa*.

AUTHOR PROFILES



Marliza Noor Hayatie, S.E., M.M
marliza@politala.ac.id
Accounting Study Program, Business Computer Department, Tanah
Laut State Polytechnic
Expertise in Financial Management
Google Scholar ID: FqyKEbsAAAAJ
Sinta ID: 5988900
Orchid ID: 0000-0002-5358-1780



Rahmi Nadiar Kurdi, BAC(Hons)., M.Ak
rahmi@politala.ac.id
Accounting Study Program, Business Computer Department, Tanah
Laut State Polytechnic
Expertise in Financial Accounting
Google Scholar ID: UVoJ1DYAAAAJ&hl=id
Sinta ID: 6919437
Orcid ID: 0009-0009-1439-1915



Maulida Hirdianti Bandi, SE, M.A., Ak
maulidahirdianti@politala.ac.id
Accounting Study Program, Business Computer Department, Tanah
Laut State Polytechnic
Expertise in Financial Accounting
Google Scholar ID: FLiDXn0AAAAJ
Sinta ID: 6839926
Orchid ID: 0009-0009-4037-4799



Annisa Tri Hidhayati, S.Ak., M.Ak.

annisatri@politala.ac.id

Accounting Study Program, Business Computer Department, Tanah Laut State Polytechnic

Expertise in Financial Accounting

Google Scholar ID: gIRJC4YAAAAJ

Sinta ID: 6919433

Orchid ID: 0009-0007-5335-6288



Rahmatullah Alfikri, S.E., M.Ak.

rahmatullah@politala.ac.id

Accounting Study Program, Business Computer Department, Tanah Laut State Polytechnic

Expertise in Financial Accounting

Google Scholar ID:mbeRvtMAAAAJ

Sinta ID : 6932463

Orchid ID: 0009-0009-6336-979X