



Optimizing the Performance of Village-Owned Enterprise: A Case Study

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Info Artikel :

Diterima :

12 November 2024

Disetujui :

9 Desember 2024

Dipublikasikan :

25 Desember 2024

ABSTRACT

The implementation of performance measurement systems in public organizations was essential for optimizing task execution, service delivery, and business processes, thereby ensuring the achievement of organizational goals. However, the adoption of such systems in Village-Owned Enterprises (VOEs) across Indonesia remained insufficient. This was reflected in the high number of non-operational VOEs or those contributing minimally to local communities. A key issue was the lack of a strategic performance measurement framework, which hindered these organizations from achieving their vision and mission effectively. This study aimed to develop a performance measurement framework tailored to VOEs using the Balanced Scorecard (BSC) methodology. It employed document reviews, interviews, and analyses of the vision, mission, and strategic objectives of VOE Cimenteng Jaya as a case study. The framework aligned strategic goals with the four BSC perspectives: financial, learning and growth, internal processes, and stakeholders. A strategy map visualized the interconnections among these perspectives. The study identified nine strategic objectives and fifteen Key Performance Indicators (KPIs) relevant to the VOE. By providing a structured approach to performance evaluation, the framework was expected to improve the VOE's contribution to local economic development and community welfare.

Keywords: Performance Indicators, Balanced Scorecard, Strategy Map, Village-Owned Enterprise



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INTRODUCTION

Under Government Regulation No. 37 of 2023 on the Management of Transfers to Regions (Peraturan Pemerintah Nomor 37 Tahun 2023 Tentang Pengelolaan Transfer Ke Daerah, 2023), the central government allocated village funds to regencies and municipalities. The allocation was determined based on principles of equity and fairness, incorporating factors such as village performance, the number of villages, population size, poverty rates, land area, and geographical challenges. These funds were transferred through the regional budgets of regencies and municipalities before being distributed to individual village budgets.

The village funds were prioritized for financing development projects and community empowerment initiatives, aiming to enhance economic potential in alignment with regional characteristics and to transform villages into self-reliant and competitive entities. One practical use of these funds involved the establishment of Village-Owned Enterprises (VOEs), with a portion of the funds invested as capital participation in these enterprises. VOEs conducted business activities to generate returns for village reserve funds, serving as revenue from the invested capital. They also provided goods and services to ensure accessibility for local communities. Through the establishment of VOEs, village residents were encouraged to actively participate in their operations, contributing to the enterprises' success and, ultimately, enhancing the welfare of the local community. This initiative underscored the strategic role of VOEs in fostering rural economic growth.

By 2024, the number of VOEs across Indonesia had reached a total of 61,322 entities, marking a significant milestone in the development of dynamic economic activities originating from rural areas nationwide. Despite this progress, managing such an extensive network of VOEs posed substantial challenges. Reports indicated that at least 2,188 VOEs were non-operational, while 1,670 were operational but failed to contribute effectively to the development of their local economies (Ariyulianti & Gunawan, 2023; Idriyanti & Agustina, 2024). These suggest several underlying concerns, including the suboptimal management and performance of VOEs in certain villages. This is consistent with the

study conducted by Arifin et al. (2020), which provided evidence that the increase in the number of VOEs was not accompanied by their utilization for the benefit of local communities, particularly in terms of enhancing employment opportunities. Such challenges underscored the necessity of implementing improved governance mechanisms and strategic interventions to address inefficiencies. Strengthening the operational capacity and management of VOEs was deemed essential to ensure their alignment with intended goals, particularly in fostering rural economic development and enhancing community welfare.

Optimizing the management of VOEs required coordination among the Ministry of Finance, Ministry of Villages, regional governments, and village administrations. Strategic management was crucial to improving VOE performance by reducing the number of non-operational entities, transforming underperforming VOEs into productive contributors, and increasing the revenues of those already supporting rural economies. As entities primarily funded by village allocations, VOEs were mandated to operate with transparency and accountability. Accountability encompassed disclosing activities and financial performance to stakeholders, ensuring proper management and alignment with their developmental objectives (Mardiasmo, 2006).

One of the strategic management tools that can be applied to VOEs to drive performance and accountability is the Balanced Scorecard (BSC) framework. To support the comprehensive objectives of utilizing village funds through VOEs, performance measurement solely based on financial outcomes is insufficient to accurately reflect organizational performance. The BSC as a strategic management system that articulates strategies through an accountable accounting framework translates an organization's mission and strategies into four perspectives: financial, stakeholder, internal business processes, and learning and growth (Mowen et al., 2018).

Several studies applied the BSC framework to assess VOE performance. Karlina & Kudus (2018) evaluated the performance of VOE Leles Sub-District in Garut using the BSC, while Rayesa (2018) applied it to a dairy cooperative. Utami (2022) implemented the BSC for performance measurement in VOE Taman Sari, and Handayani & Suaida (2024) assessed managerial performance in VOE Usaha Sejahtera, Kandat Village. These studies demonstrated the broad applicability of the BSC as a performance measurement tool for VOEs, aligning evaluations with organizational objectives. By adopting this framework, village administrators were expected to enhance VOE performance, contributing more effectively to local economic development.

Unlike other studies that utilized the BSC as a tool for evaluating the performance of VOEs, this research aimed to develop performance indicators based on BSC principles through a case study approach. The focus of the study was on VOE Cimenteng Jaya. The objective was to establish a framework that would allow the VOE to operate effectively and align its performance with its organizational vision and mission. VOE Cimenteng Jaya operated two business units: the Cipta Resik Unit, which managed community waste through a recycling initiative (waste bank), and the Cipta Usaha Unit, which supplied three-kilogram LPG to local residents. Established in 2015 under Village Regulation No. 114 of 2015, which addressed the formation of Village-Owned Enterprises, VOE Cimenteng Jaya had not yet implemented a comprehensive performance measurement system. Between 2016 and mid-2019, the VOE experienced stagnation due to poor financial management.

By developing Key Performance Indicators (KPIs) using the BSC approach, this study aimed to provide practical contributions to the management of VOE Cimenteng Jaya, with the goal of enhancing the revenue generation capacity of its business units through transparent and accountable business processes. In addition to financial metrics, the comprehensive performance indicators developed for Cimenteng Jaya, which encompassed internal business processes, stakeholder engagement, and learning and growth, were intended to promote sustainable operations and generate a positive impact on the local economy.

RESEARCH METHODS

This study employed a qualitative approach with an exploratory case study method, focusing on VOE Cimenteng Jaya, located in Cibadak District, Lebak Regency, Banten. The research involved document analysis and interviews, guided by the Balanced Scorecard (BSC) framework, which encompasses four perspectives: financial, stakeholder, internal business processes, and learning and growth. The purpose of this methodology was to explore the various dimensions within the BSC framework, with the aim of identifying strategic objectives and KPIs across these perspectives. These

elements were subsequently integrated into a strategy map designed to support the achievement of the VOE's organizational goals and ensure its long-term sustainability.

The Balanced Scorecard (BSC) framework, as applied to the formulation of strategic objectives and performance indicators for VOE Cimenteng Jaya, encompassed four key perspectives (Mowen et al., 2018):

1. Financial Perspective

This perspective defined objectives and metrics that represented the ultimate success of revenue generation in profit-driven entities. Financial performance measures, such as operating income and return on investment (ROI), were used to assess whether the organization's strategies and their implementation enhanced shareholder value. Financial performance improvement was pursued through two fundamental approaches: revenue growth and productivity enhancement.

2. Stakeholder Perspective

This perspective emphasized the organization's focus on internal capabilities to improve product performance, foster innovation, and integrate technology, all while understanding market preferences. Market research played a pivotal role in this dimension. A product or service was expected to deliver value to current or potential customers, offering benefits that outweighed the costs incurred by customers to acquire them.

3. Internal Business Process Perspective

This perspective measured all activities undertaken by the organization, including those of managers and employees, to develop products or services that satisfied both customers and shareholders. The primary focus was on optimizing internal processes to create and deliver value in a more efficient and effective manner.

4. Learning and Growth Perspective

This perspective examined three critical factors: people, systems, and organizational procedures. These elements were considered integral to driving the organization's long-term growth and sustainability. The focus was on fostering continuous improvement, innovation, and capacity-building to support the achievement of strategic objectives.

In implementing the Balanced Scorecard (BSC), the focus was on measuring and executing various critical management processes, as outlined by Vincent (2006), which included the following steps:

1. Clarifying and translating the organization's vision and strategy into actionable terms;
2. Communicating and aligning strategic objectives with performance metrics;
3. Planning, setting targets, and aligning strategic initiatives or programs; and
4. Developing feedback mechanisms and strategic learning processes to facilitate continuous improvement in the future.

The types and sources of data utilized in this study were as follows:

1. Data for designing the strategy map, which included the organization's vision, mission, objectives, and goals. This data was obtained from internal documents (secondary data).
2. Data to identify ideal KPIs for measuring strategic objectives based on the Balanced Scorecard perspectives. This data was collected through interviews or questionnaires directed at representatives of VOE Cimenteng Jaya.

The research framework used in this study, based on the adaptation of the Balanced Scorecard (BSC), was developed as follows.

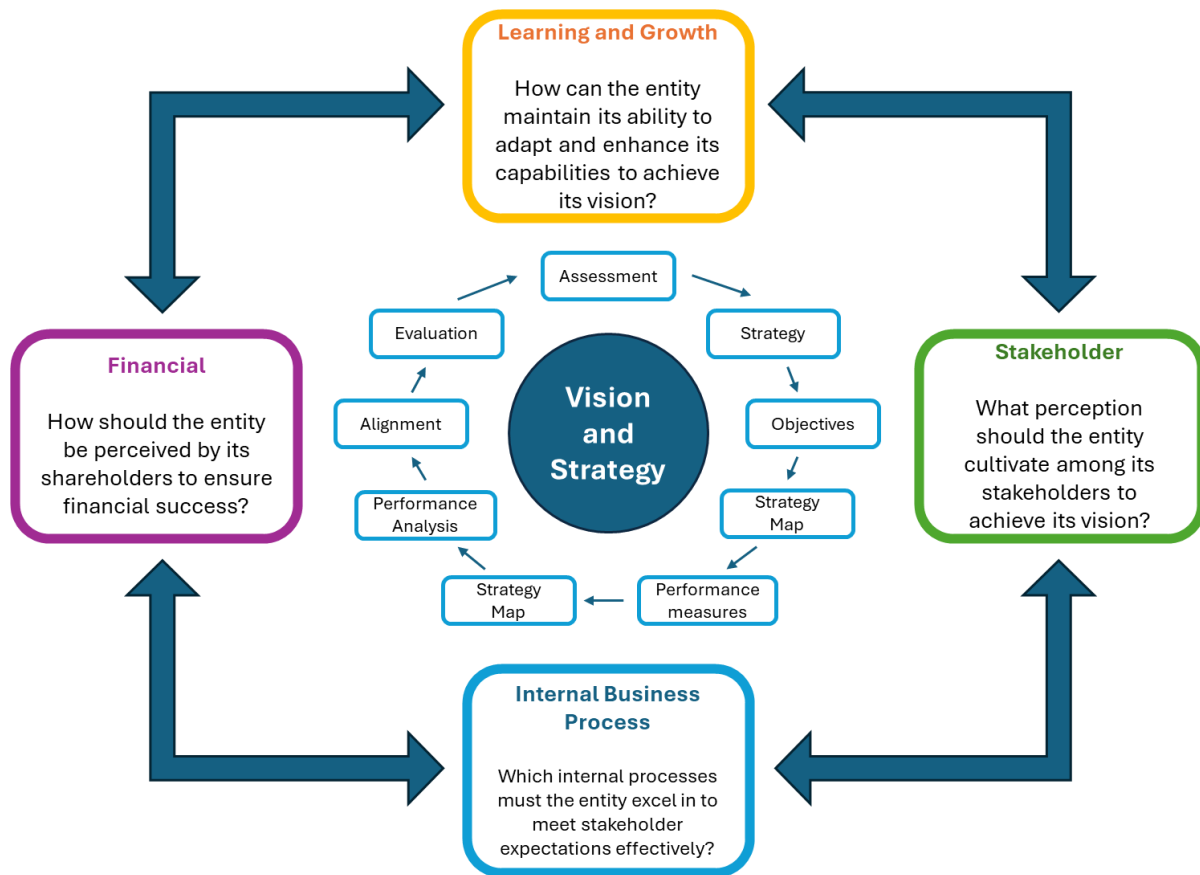


Figure 1 Research framework based on the Balanced Scorecard

Source: Adapted from Mowen et al. (2018)

RESULTS AND DISCUSSION

The analysis conducted in this study was divided into several components, and its results were structured according to the adapted Balanced Scorecard framework used in the research methodology (Mowen et al., 2018), as outlined below.

Defining Integrated Strategic Goals for VOE and Key Business Units

The vision of VOE Cimenteng Jaya was articulated as: "Achieving Prosperity for the People of Cimenteng Jaya Village through the Development of Economic Enterprises and Social Services." This vision highlighted the village administration's aspiration, through VOE, to improve the well-being of its residents by promoting local economic development. Beyond stimulating the village economy, VOE aimed to generate sufficient profits to enhance social services for all community members. To achieve this vision, VOE Cimenteng Jaya established the following mission objectives:

1. To develop economic activities, such as providing LPG gas, electricity tokens, and other real-sector businesses.
2. To create social services through a social security system targeting impoverished households.
3. To construct essential rural infrastructure supporting the local economy.
4. To expand economic cooperation networks with various stakeholders.
5. To manage revolving funds aimed at poverty alleviation and rural business development.

The vision and mission were translated into actionable outcomes by defining specific objectives to be achieved over a one-to-five-year period. These objectives included:

1. Improving community welfare, as reflected in a reduction in the number of underprivileged households through the optimal financial management of VOE resources.
2. Empowering village residents to actively participate in the management and operation of the VOE.

3. Fulfilling the demand for LPG gas within Cimenteng Jaya Village through a specialized unit focused on LPG sales.
4. Implementing innovative waste management practices to generate additional village income and mitigate environmental pollution.

By aligning these objectives with its vision and mission, VOE Cimenteng Jaya aimed to foster enhanced accountability and transparency in the management of village funds. These funds were allocated to productive activities designed to increase the village's revenue, thereby enabling economic self-sufficiency and reducing dependence on central government disbursements.

From these objectives, several strategic targets were identified:

1. Optimizing financial management practices.
2. Improving the competence of VOE managers.
3. Establishing an efficient and high-performing organizational structure.
4. Implementing computerized administrative systems.
5. Increasing the availability of goods and services to meet community needs.
6. Enhancing the quality of services and product marketing strategies.
7. Improving the efficiency of community services.
8. Strengthening the competitiveness of the local economy through resident empowerment.

By systematically pursuing these strategic goals, VOE Cimenteng Jaya sought to position itself as a model for economic resilience and sustainability at the village level.

Defining the Core Team Responsible for Balanced Scorecard Implementation

The management of KPIs within the VOE Cimenteng Jaya framework was structured as follows:

1. Appointment of a Performance Manager
The Director of VOE was designated as the Performance Manager for the organization. This role entailed coordinating the development of the Strategic Map, KPIs, and performance targets, all aligned with the Strategic Plan.
2. Role of the VOE Administrative Secretary
The Administrative Secretary was tasked with collecting, analyzing, and processing performance data from various work units. This data was subsequently compiled into the VOE Annual Report, providing a comprehensive summary of the organization's performance.

This management structure facilitated a systematic approach to monitoring, evaluating, and reporting performance, ensuring alignment with the organization's strategic objectives.

Defining Resource Requirements for Balanced Scorecard Implementation

The implementation of the Balanced Scorecard (BSC) required resource optimization, particularly through automation and computerization, leveraging advancements in technology and information systems. The processes were intended to commence following the completion of the BSC framework development. This approach facilitated data input, monitoring, and evaluation, thereby supporting performance improvements within VOE Cimenteng Jaya and enabling the achievement of its established strategic goals.

At the time of the study, administrative processes within VOE Cimenteng Jaya were predominantly manual. To enhance efficiency and accuracy, the adoption of a BSC application system, such as Microsoft Excel, was proposed. This software, accessible via personal computers, was identified as a practical tool for VOE managers to streamline data management and support data-driven decision-making processes.

Defining Performance Targets Across Four Perspectives of the Balanced Scorecard

Based on the four perspectives of the BSC (financial, internal business process, learning and growth, and stakeholder/customer), the analysis of the VOE Cimenteng Jaya strategy for developing integrated and interrelated performance measures were described as follows.

1. Financial Perspective
The strategic objective of the financial perspective was to achieve optimal financial management and increase net profit. The establishment of VOE was intended to centralize economic and public service activities managed by the village or through inter-village cooperation. By focusing on

strengthening the village economy, VOE emphasized optimal financial management practices to maximize net profits, thereby contributing to the overall welfare of the community.

2. Learning and Growth Perspective

This perspective identified the organizational capabilities necessary for growth and development. The key strategic objectives were as follows:

- a. Enhancing the competency of VOE managers:
Competent human resources were recognized as essential for effective management. Training and development initiatives were deemed necessary to enable VOE to achieve its objectives.
- b. Establishing a high-performing organization:
The primary goal of VOE was to maximize community welfare. This objective was pursued through effective performance management and the delivery of superior services.
- c. Implementing computerized administration systems:
Efficient and well-organized administration was identified as a critical factor for VOE. The adoption of computerized systems was proposed to streamline business processes, reduce human error, and improve overall operational efficiency.

3. Internal Business Process Perspective

This perspective focused on the organizational processes required to deliver value to stakeholders. The strategic objectives included:

- a. Increasing the quantity of goods and services available to the community:
By expanding the availability of products and services, VOE aimed to address the general needs of residents while creating new market opportunities.
- b. Improving service quality and product marketing:
Ensuring that community members benefited from VOE's offerings fostered satisfaction and trust, contributing to the organization's reputation and stakeholder engagement.
- c. Enhancing service efficiency:
Efficient operations were essential for enabling VOE to maximize profitability while supporting community welfare through the improved utilization of resources.

4. Stakeholder Perspective

This perspective aligned with VOE's mission to enhance the village economy and maximize community welfare. It also aimed to create employment opportunities and establish market networks that addressed public service needs. The key strategic objectives were:

- a. Fulfilling the community's demand for goods and services:
VOE prioritized ensuring the availability and accessibility of essential resources for residents, addressing both economic and public service needs.
- b. Empowering the local community:
Efforts were directed toward initiatives that enhanced the village's economic competitiveness through the empowerment of its residents and the development of sustainable, locally driven enterprises.

The vision and mission of VOE were translated into strategic actions to ensure that all stakeholders collaborated effectively toward the organization's common goals. These strategies were articulated in a strategy map, which illustrated the interconnections among various perspectives. The strategy map for VOE Cimenteng Jaya was structured using the four perspectives of the Balanced Scorecard framework: financial perspective, learning and growth perspective, internal business processes perspective, and stakeholder perspective. These perspectives were integrated with strategic initiatives, as shown in the designed strategy map in figure 2.

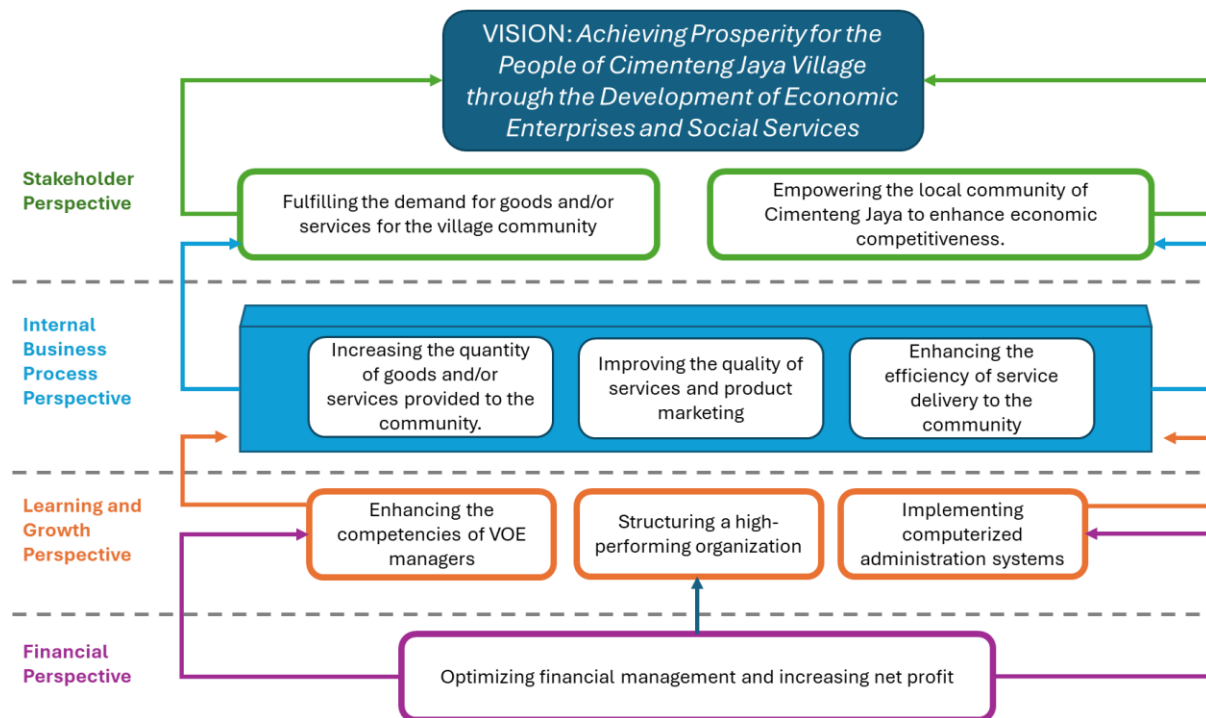


Figure 2. The Designed Strategy Map for VOE Cimenteng Jaya
Source: Created by authors based on the BSC framework

Based on the strategic design analysis, the following KPIs were defined for each perspective:

1. Financial Perspective

The strategic goal of optimizing financial management and increasing net profit was operationalized into the following KPIs:

- a. Percentage of budget utilization
This KPI measured optimal budget utilization by comparing the actual budget usage to the allocated amount.
- b. Percentage of net profit target achievement
This KPI tracked whether the net profit during the reporting period met the predefined targets.
- c. Timeliness of accountability report submissions
This metric ensured transparency in VOE Cimenteng Jaya's performance and activities.
- d. Timeliness of main business activity and change reports
These reports facilitated the timely review and approval of VOE's work plans for the subsequent year.
- e. Timeliness of detailed profit and loss balance sheet reports
This KPI supported the review and approval processes while promoting financial transparency.

2. Learning and Growth Perspective

This perspective encompassed three strategic objectives, each associated with defined KPIs:

- a. Enhancing the competency of VOE managers
Percentage of managers attending training or capacity-building programs, including workshops, courses, or benchmarking initiatives facilitated by government authorities or conducted internally.
- b. Structuring a high-performing organization
Percentage reduction in community complaints regarding VOE performance, reflecting improved service quality and stakeholder satisfaction.
- c. Implementing computerized administration systems
Percentage of transaction records processed using computerized systems. This metric indicated the effectiveness of technology adoption in ensuring efficient, accurate, and organized transaction management.

3. Internal Business Processes Perspective

This perspective addressed three strategic objectives, each with corresponding KPIs:

- a. Increasing the quantity of goods and services provided to the community
Percentage increase in waste submitted by the community to the VOE, which was subsequently sold to buyers, contributing to revenue and supporting welfare.
Percentage increase in the availability of essential goods, such as LPG, ensuring adequate supply for community needs.
- b. Improving service quality and product marketing
Percentage achievement of sales targets, reflecting the success of marketing strategies.
Percentage of returning customers, with high retention indicating service satisfaction and effective engagement.
- c. Enhancing service efficiency
Percentage efficiency in managing LPG inventories, electricity tokens, and waste services, measured by minimizing resource and budget usage.

4. Stakeholder Perspective

This perspective focused on two strategic objectives with associated KPIs:

- a. Fulfilling the demand for goods and services for the community
Percentage fulfillment of goods and service needs, including the availability of 3-kg LPG, electricity tokens, and banking services via the waste bank system.
- b. Empowering the local community to support economic competitiveness
Percentage of workforce absorption in VOE operations, measured by the number of community members employed by the VOE.

Based on the findings of the research analysis, the formulation of strategic objectives, along with the associated performance indicators and targets necessary to optimize the performance of VOE Cimenteng Jaya, was summarized in the following table.

Table 1 Designed strategic objectives and KPIs for VOE Cimenteng Jaya

Strategic Objectives	Key Performance Indicators	Target			
		Q1	Q2	Q3	Q4
1 Optimal budget management for net profit growth	1a Percentage of budget utilization	30%	50%	70%	100%
	1b Percentage of net profit target achievement	100%	100%	100%	100%
	1c Percentage of timeliness in accountability report submissions	-	-	-	100%
	1d Percentage of timeliness in submitting main business activity and change reports	-	-	-	100%
	1e Percentage of timeliness in submitting detailed profit and loss reports	100%	100%	100%	100%
2 Enhancement of voe management competency	2a Percentage of VOE managers participating in training or capacity-building programs	-	-	-	100%
3 Structuring a high-performing organization	3a Percentage reduction in community complaints regarding voe manager performance	-	-	-	100%
4 Implementation of computerized administrative systems	4a Percentage of transaction records completed using computerized systems	100%	100%	100%	100%
5 Increasing the quantity of goods and services	5a Percentage increase in community-submitted waste	-	-	-	100%
	5b Percentage increase in the availability of LPG	-	-	-	100%
6 Improving service quality and product marketing	6a Percentage of sales target achievement	100%	100%	100%	100%
	6b Percentage of returning customers	100%	100%	100%	100%

Strategic Objectives	Key Performance Indicators	Target			
		Q1	Q2	Q3	Q4
7 Enhancing service efficiency for the community	7a Percentage efficiency in managing lpg, electricity tokens, and waste services	100%	100%	100%	100%
8 Meeting the demand for goods and services in the village	8a Percentage fulfillment of community needs for goods and services	100%	100%	100%	100%
9 Empowering the local community to support economic competitiveness	9a Percentage of workforce absorption in voe operations	0%	50%	0%	100%

This formulation was designed to establish a systematic framework for aligning the operational and strategic objectives of VOE Cimenteng Jaya. Each strategic objective was paired with specific and measurable KPIs to enable precise progress evaluation and ensure accountability in achieving desired outcomes. Furthermore, clearly defined performance targets were established to serve as benchmarks for assessing the effectiveness of the strategies implemented. Together, these elements contributed to the development of a comprehensive, actionable framework aimed at enhancing the overall performance of VOE Cimenteng Jaya while promoting sustainable development and economic empowerment within the village.

Discussion of the Research Results

The analysis conducted in this study demonstrated that, based on the Balanced Scorecard (BSC) framework, 15 key performance indicators (KPIs) could be identified, structured around 9 strategic objectives derived from the vision and mission of VOE Cimenteng Jaya. Unlike previous studies that employed the BSC framework solely as a performance evaluation tool, this study utilized the BSC framework as a foundational strategy for VOE Cimenteng Jaya, aiming to define strategic steps to achieve organizational goals. These goals were subsequently broken down into measurable indicators to monitor the extent to which VOE Cimenteng Jaya successfully executed its business processes in alignment with its vision and mission.

In the study conducted by Anggraini et al. (2020), the BSC was used merely as a parameter for measuring financial performance and the other three perspectives, serving as a method of assessment rather than a strategic development tool for improving organizational performance. Other similar studies, such as those by Dewanti et al. (2016) measuring the performance of Village Credit Institutions in Buleleng District, Fintari & Fachrizal (2018) evaluating the performance of PDAM in Bener Meriah District, and Ni'maturohmah et al. (2022) and Retnowati et al. (2022), employed the BSC framework primarily as a tool for performance evaluation, not as a strategic approach to optimize organizational performance. In contrast, this study applied the BSC framework to emphasize strategic actions aimed at achieving desired performance outcomes, with KPIs established to monitor organizational achievements. This approach is consistent with the study by Khasanah et al. (2021), which also focused on VOE strategies but referred to a different framework, specifically the Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis.

The formulation of the key performance indicators at VOE Cimenteng Jaya led to the development of strategic actions that could enhance performance. Several areas for improvement were identified, particularly concerning transparency in the use of village funds, in accordance with the principles set forth in Government Regulation No. 37 of 2023. The KPIs focused on efforts to improve local economic empowerment and job opportunities. When the strategic objectives outlined in the designed strategy map, which were translated into KPIs, were fully implemented by the management of VOE Cimenteng Jaya, local economic development related to the use of village funds and the empowerment of communities with limited job opportunities, as explained in the study by Arifin et al. (2020), could be addressed through optimal budget utilization, enhancing competency, service excellence, modernized administration, and empowering local communities to support economic competitiveness.

Optimal performance achievement, in terms of budget implementation, was facilitated through gradual absorption across each quarter. Initially, 30% of the budget was effectively utilized in the first quarter, gradually increasing to 50% and 70% in the second and third quarters, respectively, with full budget utilization (100%) expected by the end of the year. This demonstrated effective budget absorption, though it needed to be complemented by achievements in other perspectives that reflect the outputs and outcomes of utilizing village funds provided to VOE Cimenteng Jaya.

Optimal performance in the learning and growth perspective was achieved through improvements in internal management, enhanced managerial capacity, reduced complaint levels, and the modernization of administration using computerized systems. For managerial capacity enhancement and complaint reduction, performance indicators were measured at the end of the year, ensuring a comprehensive evaluation at the 100% level. Meanwhile, for administrative modernization, progress was monitored each quarter to ensure that all business processes within VOE Cimenteng Jaya were properly organized using computerized administration.

In terms of internal business processes, optimal performance was achieved by increasing the quantity of goods sold, enhancing service quality, and improving the efficiency of product and service sales to support sustainable economic impact on the local community. The goal was to achieve 100% sales of goods such as LPG by the end of the year, thus driving the optimization of sales. Regarding quality improvement, the percentage of sales and customer loyalty, especially among local residents who repeatedly purchased goods from VOE Cimenteng Jaya, was targeted at 100% each quarter. This ensured that the utilization of village funds and economic circulation within the local community contributed to improved welfare. Furthermore, in meeting stakeholder needs, the management of village funds through VOE Cimenteng Jaya aimed to provide goods and services for the local community while empowering them to participate in the workforce at VOE Cimenteng Jaya. This would contribute to a 50% increase in labor absorption by mid-year, reaching 100% by the end of the year.

CONCLUSION

Based on the research findings, optimizing the performance of Village-Owned Enterprises (VOEs) required reliable performance measurement indicators, which were effectively achieved through the Balanced Scorecard (BSC) framework. This study proposed a strategy map encompassing four key BSC perspectives: financial, learning and growth, internal business processes, and stakeholders, comprised of 9 Strategic Objectives and 15 KPIs. The financial perspective served as the foundation, emphasizing optimal financial management to increase net profits. Effective financial management was expected to facilitate the development of high-competency human resources, high-performing organizational structures, and computerized administrative systems, as outlined in the learning and growth perspective. The internal business processes perspective focused on increasing the quantity of goods and services provided, improving the quality of service and product marketing, and enhancing operational efficiency. Finally, the stakeholder perspective highlighted fulfilling community needs for goods and services and empowering local residents to enhance the village's economic competitiveness. Effective implementation of the strategy map and its associated key performance indicators required a clear understanding among all VOE personnel regarding the organization's objectives, strategic goals, and performance targets, which collectively formed its value chain. Furthermore, integrating the BSC-based performance management system necessitated time, resources, funding, technological infrastructure, and unwavering support and commitment from VOE leadership and staff.

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