



Does The Village Owned Enterprises Care About Environmental, Social, and Economics Sustainability?

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Abstract. Village-owned enterprises (BUMDes) are village commercial institutions that utilize the potential of local village resources to make a profit. BUMDes also provides social services that are in favor of the welfare of village communities. Responsibility for maintaining surrounding conditions such as the environment, social, and economic conditions is an absolute responsibility for BUMDes that cannot be avoided. This research aimed to determine the motivation of BUMDes management in conveying accountability information on BUMDes activities to the public. Through the lens of stakeholder theory, it is thought that we will better comprehend the management's motivation in showing the public the accountability of all its activities. BUMDes is a form of implementation of village financial management that will manage the potential for village independence with various kinds of economic activities in a community-based and mutually cooperative manner. This is the attraction of BUMDes as the object of this research study. The population in this study was all BUMDes financial staff in Kebumen Regency. Data was obtained through a questionnaire given to a sample of respondents selected using the purposive sampling method. Research data was analyzed using multiple regression analysis. The results show that government regulatory pressure, community pressure, and environmental organizations pressure all are proven to encourage BUMDes to disclose their activities. However, mass media pressure does not always encourage BUMDes to disclose their activities. Suggestions for further research include using other theoretical perspectives such as legitimacy and stakeholders, in looking at the BUMDes management motivation.

Keywords: Sustainability Report (SR), Government Regulatory Pressure, Community Pressure, Environmental Organizations Pressure, Mass Media Pressure

1 Introduction

Village-Owned Enterprises, also known as BUMDes, are business entities whose capital is wholly or largely owned by the village through direct participation derived from separate village assets to manage assets, services, and other businesses for the benefit of the village community (1). BUMDes are corporate entities in which the village owns all or most of the capital (1). The development of BUMDes has two major points: BUMDes is established based on the economic potential and participation of village communities, and it runs in accordance with the local products it generates, and it does not become a competitor to existing community enterprises in the village. BUMDes management planning is critical since external conditions change rapidly (2). Various changes in the external environment require all businesses, including BUMDes, to restructure management, planning, and business development.

According to (1) BUMDes is a Social Enterprise, which is a commercial entity with a social mission based on achieving goals and earning revenues to meet social mission demands. BUMDes' income from goods and services produced by business units is determined depending on the village's economic potential. BUMDes' income serves as a measure of its long-term sustainability. Business sustainability is a type of business consistency in which the ongoing process of business includes growth, development, strategies to maintain business continuity, and business development, all of which contribute to the business's sustainability and existence (resilience) (3). BUMDes management was successful in establishing a sustainability strategy that allowed it to preserve and increase its income.

Village-Owned Enterprises (BUMDes) are responsible for maintaining environmental sustainability in their operations, which includes the living environment, social environment, and economic environment (1). Responsibility for environmental sustainability is an action taken by BUMDes out of a sense of responsibility to the environment, with the goal of promoting community welfare and preserving the environment. BUMDes' commitment and concern for environmental sustainability can be stated and demonstrated through the availability of financial and non-financial information as well as an organization's connection with the physical and social environments, which is included in financial reports (4). A sustainability report (SR) refers to the material included in BUMDes financial reports as a form of responsibility.

Many factors, including government regulations, inspire BUMDes management to express their interest in environmental sustainability through sustainability reports. Government regulations for BUMDes include all regulations enacted by the government to govern all BUMDes activities. Government laws can help BUMDes show their concern for environmental sustainability more effectively in their annual financial reports. (1) in their research found that government regulations influence SR disclosure. These findings differ from those reported by Basuki and Patrioty in 2011, who found that government rules did not affect SR disclosure (5).

The second factor for BUMDes management to exhibit concern for environmental sustainability through sustainability reports is community pressure. Public pressure on BUMDes is of special importance because the public possesses information about BUMDes' products or services. Public pressure can also encourage BUMDes to make

decisions. (6) found that public pressure influences SR disclosure. These findings differ from those reported by (7), who found that public pressure did not affect SR disclosure.

The following factor is environmental organizational pressure. Environmental groups within BUMDes can exert a controlling influence on social and environmental activities since they serve as entities that oversee all BUMDes operations and can also operate as liaisons between the community and BUMDes. (5) found that environmental organizational pressure influences SR disclosure. These findings differ from those reported by (6), who found that environmental organizational pressure did not affect SR disclosure.

The last factor motivates BUMDes management to exhibit concern for environmental sustainability through sustainability reports is media pressure. BUMDes' mass media pressure serves as an intermediary instrument for publicizing their operations. (6) found that mass media pressure influenced SR disclosure. These findings differ from (7) research, which found that mass media pressure had no effect on SR disclosure.

In light of the phenomenon and the inconsistencies in previous researchers' findings, this study attempts to combine various variables from previous research, namely government regulation variables, community pressure, environmental organizational pressure, and mass media pressure on the disclosure of sustainability reports (SR). Aside from that, the purpose of this study is to evaluate the motivations of BUMDes administrators in transmitting accountability information to the community, particularly their concern for environmental sustainability. Stakeholder theory is anticipated to help us comprehend management's incentive for proving accountability to the public for all of its activities.

2 Theoretical Framework and Hypothesis

2.1 Stakeholder Theory

Stakeholder theory was first introduced in 1963 by an internal memo at The Stanford Research Institute. It was developed to challenge the traditional assumption that owners are the only ones with interests and must be serviced by management. There are some conventional organizational theory ideas that are still influenced by traditional perspectives. According to K (8), he uses the concept of transaction costs to demonstrate that shareholders demand more attention than stakeholders due to asset specificity. Meanwhile, agency theory analyzes the existence of conflicting interests as a result of agency costs, as well as knowledge asymmetry between the owner (principal) and the management acting as agent (9).

According to (10), stakeholder theory consists of various aspects that are logically interconnected: (1) must consider the impact of actions that have been carried out on other parties and the impact of other parties' actions on the organization, (2) must understand the behavior, values, and background of various parties, including social context, (3) must have a strategy in the organization, (4) must understand the relationship between stakeholders at three levels of analysis, namely rational, process, and standard procedures, (5) The strategic planning process must be carried out effectively, and (6)

stakeholders' interests must be balanced. With these elements, the interests of all stakeholders have been factored into the business process.

In a free market, every business faces three types of challenges: value generation and commerce, capitalist ethics, and managerial mindsets (11). Of these three sorts of problems, stakeholder theory proposes two arguments for solving them: (1) Business can be defined as a collection of relationships between various groups of people who are interested in the organization's activity. The first reason concerns how managers, employees, consumers, suppliers, and funders together create and trade value, which is used to understand how the relationship between stakeholders is carried out. If there is a conflict of interest between stakeholders, then what the organization needs to do is rethink the possibility of trade-offs that can be accepted by all parties, (2) aside from managing stakeholder relationships, the second reason is that it can help organizations survive in a capitalistic system, where the stakeholder approach places a greater emphasis on moral aspects, particularly justice, freedom of choice, avoiding negative consequences, and creating benefits for all parties. This strategy prioritizes developing values and preventing moral failure. Thus, in reality, stakeholder theory is frequently utilized for sustainability reporting (SR) activities, which can be an organizational approach to meet the demand for non-financial information about the social and environmental impacts of organizational activities. So, the better the SR disclosure carried out by the company, the higher the support supplied by stakeholders in enhancing the predicted performance and profits by the organization (12).

2.2 Sustainability Report Disclosure

Sustainability reports are a tool for organizations to communicate with all stakeholders about their environmental, social, and economic performance. (13) aimed to achieve sustainable development goals through organizational responsibility. BUMDes targets can be met if the information in the sustainability report meets information quality standards. The key features of information that make it useful in decision making are relevance and faithful representation (SFAC 8, Chapter 3). In addition, other information qualities that support these two information qualities include comparability, verifiability, timeliness, and understandability (5).

The concept of sustainability reports was first introduced by John Elkington (14); (15); (16) who stated that sustainability reports have three aspects: environmental (planet), social (people), and economics (profit), known as the Triple Bottom Line (17). An annual report from the early 1990s suggested the Triple Bottom Line (TBL) (18). To acquire a competitive advantage, organizations must incorporate TBL into their strategy (12). This is because TBL disclosure can promote transparency and highlight the organization's risks, hazards, and potential opportunities (19).

To improve the reliability of sustainability reporting, organizational sustainability information is primarily disclosed in accordance with these guidelines. One of these reporting criteria is the Global Reporting Initiative (GRI, 2012). The GRI Framework is a set of document reporting rules developed through a global multi-stakeholder consultative process to help firms prepare sustainability reports and Economic, Social, and Governance (ESG) disclosures. The GRI guidance document is frequently changed

to guarantee that it can continue to fulfill the needs of society and business units in the twenty-first century (20).

2.3 The Influence of Government Regulations on Disclosure of Sustainability Reports

Government regulations govern the social and environmental actions of organizations. Stakeholder theory explains the interaction between organizations and the environment, with the government serving as an external party with the potential to influence the organization's sustainability (21). The more rules established by the government regarding the organization's social environment, the greater the impact on the organization's SR disclosure of operations, which will be attached to the annual financial report (7). The existence of government laws encourages BUMDes to communicate their concern for environmental, social, and economic sustainability through a Sustainability Report (6). Through government regulations, SR disclosure has become more diverse, encompassing not only social and socioeconomic programs but also social health, education, and the social environment (22). As a result, this indirectly explains why funds for SR-related organizational activities are expanding. In this regard, the hypothesis suggested in this study is the following:

H1: Government Regulations Influence Sustainability Report Disclosure

2.4 The Influence of Public Pressure on Sustainability Report Disclosure

The community is one of the stakeholders with a significant impact on the transformation, survival, and development of BUMDes (23). Thus, high public pressure on BUMDes will motivate them to express their concern for environmental, social, and economic sustainability by disclosing the Sustainability Report, which will be reported in the BUMDes annual financial report, because the community can encourage BUMDes to adopt and implement a policy based on the information submitted (24). Aside from that, because the community serves as customers for the production outcomes of BUMDes, the community is regarded as a critical component in the sustainability of BUMDes (25). According to stakeholder theory, when BUMDes report activities that are concerned with social, economic, and environmental sustainability well, stakeholders will greatly motivate BUMDes to enhance their performance and achieve the intended profits (26). Based on this, the hypothesis offered in this study is the following:

H2: Public Pressure Influences Disclosure of Sustainability Reports

2.5 The Influence of Environmental Organizational

Environmental organizations for BUMDes are one of the social control forces capable of supervising their actions. As a result of the increasing pressure from environmental organizations, BUMDes will include a larger Sustainability Report (SR) in their annual financial reports to convey their concern for environmental, social, and economic sustainability (24). According to stakeholder theory, environmental organizations serve as a reminder to BUMDes to continue to prioritize environmental, social, and economic

sustainability (23). In Indonesia, non-governmental organizations (NGOs) are environmental organizations whose mission is to expose the negative aspects of organizations dealing with environmental issues and to demand accountability for environmental, social, and economic sustainability or the consequences of BUMDes activities (6). The hypothesis offered in this study is the following:

H3: Environmental Organizational Pressure Influences Sustainability Report Disclosure

2.6 The Influence of Mass Media on Disclosure of Sustainability Reports

Mass media is a tool or intermediary used by BUMDes to convey information to recipients of information such as the community, environmental organizations, government, and so on. Newspapers, personal company websites, radio, television, and other forms of social media can all be used to communicate information (27). As a result of the increased public pressure, BUMDes will be more driven to demonstrate their commitment to environmental, social, and economic sustainability by SR disclosures, which will be included in the company's annual financial report (28). This is because the mass media will present either positive or negative perceptions based on BUMDes material that has been sent to the public, environmental organizations, governments, and so on (1). According to stakeholder theory, BUMDes must always maintain ties and provide value to stakeholders. As a result of the existence of mass media, stakeholders will be able to more easily access or get BUMDes information that meets their specific demands (5). Based on this, the hypothesis offered in this study is the following:

H4: Mass Media Influences Disclosure of Sustainability Reports

3 Research methods

3.1 Classification of Research Samples

The participants in this study were all BUMDes finance staff in Kebumen Regency. A questionnaire was distributed to a purposively selected sample of respondents to collect data. According to the research respondent sample classification method, 45 BUMDes financial staff were selected. Purposive sampling was utilized in this study, with the following sample selection criteria: BUMDes finance staff who reveal yearly financial reports, as well as disclosure of the sustainability report in the annual financial report.

3.2 Research data

The data used is primary data obtained directly in the field by researchers for the purpose of writing. The data collection method is a questionnaire with a Likert scale, which includes several questions used to assess the influence of government regulations, community pressure, pressure from environmental organizations, and the

media on the disclosure of sustainability reports on BUMDes, which will be distributed to respondents.

3.3 Research variable

The dependent variable of this research is the disclosure of sustainability reports. Meanwhile, independent variables in this study include government regulations, public pressure, environmental organization pressure, and mass media pressure.

3.4 Research Data Analysis Techniques

Multiple regression tests were used in this study to test hypotheses. The multiple regression tests were employed because there are several independent variables, including government regulations (X_1), public pressure (X_2), environmental organizational pressure (X_3), and mass media pressure (X_4), and the dependent variable is sustainability report disclosure (Y). The regression model for this study is:

$$Y = \alpha + \beta_1.X_1 + \beta_2.X_2 + \beta_3.X_3 + \beta_4.X_4 + e$$

where:

Y : Sustainability Report Disclosure

α : Constant

$\beta_1, 2, 3, 4$: Regression Coefficient

X_1 : Government Regulations

X_2 : Public Pressure

X_3 : Environmental Organizational Pressure

X_4 : Mass Media Pressure

e : Error Rate

4 Research Results and Discussion

4.1 Descriptive Statistics

The descriptive statistics of this research were tested using the SPSS version 26 program. Table 1 shows the results of the descriptive statistical tests conducted in this study. According to Table 1, the descriptive statistical tests for each variable yielded the following results: The minimum and maximum values for government regulations are 42 and 58, respectively. The average is 48.32 with a standard deviation of 3.736, indicating that the distribution of government regulations equals 48.32 from 45 data points. The community pressure variable ranges between 24 and 37. The average is 30.81 with a standard deviation of 2.711, indicating that the data distribution for the community pressure variable is 2.711 based on 45 data points. The environmental organizational pressure variable has a minimum and maximum value of 34 and 48. The average is 40.21 with a standard deviation of 3.151, implying that the data distribution for the environmental organizational pressure variable is 3.151 out of 45 data points. The mass media pressure variable has a minimum and maximum value of 31 and 45.

The average is 38.32 with a standard deviation of 2.872, indicating that the data distribution for the mass media pressure variable is 2.872 based on 45 data points. The sustainability report variable ranges between 39 and 57. The average is 48.24 with a standard deviation of 3.971, indicating that the data distribution for the sustainability report variable is 3.971 from 45 data points.

Table 1. Descriptive Statistics

	N	Min	Max	Mean	Std.
					Deviations
Government Regulations	45	42	58	48.32	3.736
Public Pressure	45	26	37	30.81	2.711
Environmental Organizational Pressure	45	34	48	40.21	3.151
Mass Media Pressure	45	31	45	38.32	2.872
Sustainability R	45	39	57	48.24	3.971
Valid N (listwise)	45				

4.2 Normality test

The normality test of research data was performed using the Kolmogorov-Smirnov test. Table 2 shows the results of the normality test on 45 data sets that meet the criteria for study samples.

Table 2. Normality Test Results

One-Sample Kolmogorov-Smirnov Test		Unstandardized Residual
N		45
Normal Parameters ^b	Mean	.0000000
	Std. Deviation	2.81325217
Most Extreme Differences	Absolute	.068
	Positive	.068
	Negative	.057
Test Statistic		.068
Asymp. Sig. (2-tailed)		.230

Table 2 shows the results of the data normality test, which allow us to infer that the data in this study follows a normal distribution. The Asym value demonstrates this because its high level of significance exceeds the alpha value, namely $0.230 > 0.05$. Based on this, it can be concluded that the residual variables in this study are normally distributed.

4.3 Multicollinearity Test

The multicollinearity test determines whether or not the independent variables in this research regression model are correlated with one another. A good regression model has no association between the independent study variables. Table 3 shows the results of testing for multicollinearity.

Table 3. Multicollinearity Test

Model	Variable	Tolerance	VIF
1	Government Regulations	0.702	1.424
2	Public Pressure		
3	Environmental Organizational Pressure		
4	Mass Media Pressure	0.665	1.504

Table 3 highlights the results of the data's multicollinearity test, which leads us to the conclusion that the independent variables in this study have no correlation. The tolerance value indicates this, since it is > 0.10 or $VIF < 10$. Based on this, we may conclude that the data in this study is devoid of multicollinearity problems.

4.4 Heteroscedasticity Test

If the sig value $>$ alpha 0.05, then the regression does not experience heteroscedasticity. The test results are presented in Table 4 below.

Table 4. Heteroscedasticity Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
(Constant)	6.785	4.031		1.822	.085
Government Regulations (X_1)	.001	.086	.003	.009	.983
Public Pressure (X_2)					
Environmental Organizational Pressure (X_3)	.132	.138	.189	.921	.820
Mass Media Pressure (X_4)	.146	.150	.196	.872	.529
	.124	.129	.200	.960	.344

The significance value for each variable in Table 4 above indicates that this study does not have a heteroscedasticity problem since it is more than 0.05. The government regulation variable (X_1) has a significance value of $0.983 > 0.05$. The public pressure variable (X_2) has a significance value of $0.820 > 0.05$. Furthermore, the significant value for the environmental organizational pressure variable (X_3) is $0.529 > 0.05$, whereas the mass media pressure variable (X_4) is $0.344 > 0.05$.

4.5 Multiple Linear Regression Test

According to Table 5 of multiple linear regression tests, the regression equation model derived in this study is as follows:

$$Y = 2,464 + 0,014 + 0,10 + 0,003 + 0,629 + e$$

Table 5. Multiple Linear Regression Test Results

	Unstandardized		Standardized	t	Sig.
	Coefficients	Coefficients	Coefficients		
	B	Std. Error	Beta		
(Constant).	2.464	7.016		.352	.025
Government Regulations (X_1)	.358	.142		2.551	.014
Public Pressure (X_2)	.319	.125		2.357	.010
Environmental Organizational Pressure (X_3)	.428	.217		2.321	.003
Mass Media Pressure (X_4)	.329	.247		2.852	.629

4.6 Hypothesis testing

The government regulation variable (X_1) has significant effects on the sustainability report (Y) with a p-value of $0.014 < 0.05$ and a tcount value of $2.551 > t_{table} 2.037$. Therefore, H_1 is approved while H_0 is refused. This demonstrates that government laws influence sustainability reports, or that X_1 has a statistically significant impact on Y . The community pressure variable (X_2) has significant effects on the sustainability report (Y), with a value of $0.010 < 0.05$ and a tcount of $2.357 < t_{table} 2.037$. Thus it can be concluded that H_2 is accepted and H_0 is rejected. This shows that public pressure has an influence on sustainability reports or it could be said that there is a statistically significant influence of X_2 on Y . Furthermore, the environmental organizational pressure variable has a significant value in the influence of environmental organizational pressure (X_3) on the sustainability report (Y), namely $0.003 < 0.05$ and the values of tcount is $2.321 < t_{table} 2.037$. Thus, we might conclude that H_3 is accepted while H_0 is rejected. This demonstrates that environmental organizational pressure influences sustainability reports, or that X_3 has a statistically significant influence on Y . Lastly, the mass media pressure variable (X_4) has a considerable impact on the sustainability report (Y), with a value of $0.629 > 0.05$ and the value of tcount $2.852 < t_{table} 2.037$.

Thus, it can be concluded that H4 is rejected and H0 is approved. This demonstrates that mass media pressure has no effect on sustainability reporting, or alternatively, that X4 has no statistically significant effect over Y.

4.7 Discussion of the Influence of Government Regulations on Sustainability Report Disclosure

Government rules are an integral aspect of the BUMDes environment since, as a regulatory body, the government has major influence over BUMDes' policies regarding its external environment (29). Government policy requires state-owned companies (BUMN, including BUMDes) and private companies to allocate earnings to initiatives that promote environmental, social, and economic sustainability (7).

Table 5 shows that the influence of government regulations (X1) on the sustainability report (Y) has a significant value of $0.014 < 0.05$, while the value of t_{count} is $2.551 > t_{table} 2.037$, indicating that H1 is accepted and H0 is rejected. This demonstrates that government regulations affect sustainability reporting. This can be interpreted to mean that BUMDes in Kebumen Regency, as village-owned commercial enterprises, are very close and strict in responding to, supporting, and implementing government regulations related to environmental, social, and economic sustainability, to the point where BUMDes is visible in SR disclosures in the annual financial report in relation to regulations relating to the Sustainability Report.

4.8 Discussion of the Influence of Public Pressure on Sustainability Report Disclosure

The community is one of the stakeholders who have a significant impact on the change, survival, and development of BUMDes since it functions as consumers of BUMDes' production outputs (23). In this context, the community can encourage BUMDes to establish and implement a policy based on the information presented (30). Based on this, community pressure is an inseparable aspect of the numerous policies established by BUMDes, particularly those addressing BUMDes' concern for environmental, social, and economic sustainability.

Table 5 reveals that the influence of public pressure (X2) on the sustainability report (Y) has a significant value of $0.010 < 0.05$, with a value of $t_{count} 2.357 > t_{table} 2.037$. This indicates that H2 is accepted and H0 is rejected. This demonstrates how public pressure influences sustainability reports. This can be taken as the fact that BUMDes in Kebumen Regency, as village-owned commercial companies, do not pay enough attention to, respond to, consider, or implement various demands from the mass media on environmental, social, and economic sustainability.

4.9 Discussion of the Influence of Environmental Organizational Pressure on Sustainability Report Disclosure

Environmental organizations are all factors inside and outside BUMDes that might affect part or all of a BUMDe, because environmental organizations have evolved into

one of the social control forces capable of supervising BUMDes activities (18). BUMDes' unaccounted-for activities will result in negative community perceptions and sanctions. Based on this, the establishment of environmental organizations can assist BUMDes in responding appropriately to BUMDes actions in order to avoid confrontation with BUMDes interests (6). As a result, the basic orientation of environmental organizations is to resist excessive exploitation of the environment for business interests, which will jeopardize the development of environmental, social and economic sustainability.

Table 5 shows that the significant value of the influence of environmental organizational pressure (X3) on the sustainability report (Y) is $0.003 < 0.05$, with a value of $t_{count} 2.321 > t_{table} 2.037$, indicating that H3 is accepted and Ho is rejected. This demonstrates how environmental organizations have influence over sustainability reporting. This might be read as implying that BUMDes in Kebumen Regency, as village-owned commercial enterprises, pay close attention to and respond to, consider and execute various demands from environmental organizations concerned with environmental, social, and economic sustainability.

4.10 Discussion of the Influence of Mass Media Pressure on Sustainability Report Disclosure

Mass media is a tool or intermediary used to deliver information to BUMDes, as well as a publication and socialization tool used by BUMDes to create public trust (image) in their social activities. Newspapers, films, radio, television, and other forms of communication are all part of mass media (27). The mass media in the BUMDes setting plays a significant role in shaping public perception about BUMDes activities. BUMDes' SR information will be easily accessible through the media, allowing it to elicit opinions from stakeholders, which will eventually become a driving factor in achieving BUMDes' goals (28).

According to the results of the multiple linear regression test in Table 5, the significant value in the influence of mass media pressure (X4) on the sustainability report (Y) is $0.629 > 0.05$, and the value of t_{count} is $2.852 > t_{table} 2.037$, implying that H4 is rejected and Ho accepted. This demonstrates that mass media pressure has no impact on sustainability reporting. This might be read as meaning that BUMDes in Kebumen Regency, as village-owned commercial companies, do not pay enough attention to, respond to, consider, and execute numerous mass media demands for environmental, social, and economic sustainability.

5 Conclusion

The purpose of this study is to prove empirically the impact of government rules, community pressure, environmental organizations pressure, and mass media pressure on the disclosure of sustainability reports on BUMDes in Kebumen Regency. Multiple regression analysis was performed using the Statistical Package for Social Science (SPSS) version 26 program. The sample data included 45 respondents, all of whom

worked in finance for BUMDes in Kebumen Regency. According to the findings of this study, government regulations, community pressure, and pressure from environmental organizations all influence the disclosure of sustainability reports at BUMDes in Kebumen Regency. Meanwhile, there was no evidence that mass media pressure had an impact on the disclosure of sustainability reports at Village Owned Enterprises in Kebumen Regency.

This study has limitations that can be utilized to guide future research; for example, the small sample size of 45 respondents was insufficient to adequately describe the actual situation. Aside from that, this study only employs one source of research data, a questionnaire, hence the results are solely based on the data received through the questionnaire. This study was only conducted in the Kebumen Regency area, where many BUMDes are inactive and underperforming in their commercial operations, thus the findings cannot yet be generalized to other districts/cities.

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