



THE POSSIBILITY OF SUSTAINABILITY ACCOUNTING IMPLEMENTATION IN VILLAGE OWNED ENTERPRISE

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Abstract

The purpose of this manuscript is to provide a new perspective on the possibility of implementing sustainability accounting in small business organizations, especially village-owned enterprise. We argue that even though small business organizations have limitations in organizational resources, they have a crucial role to play in implementing the concept of sustainability accounting in the business ecosystem. We developed the theoretical arguments based on the results of previous studies. We used the library research method to identify previous research in the context of sustainability accounting and small business organizations. We have found issues related to sustainability accounting and small business organizations. We also identify the issue and elaborate it in the theoretical arguments.

Keywords: *Library research; Sustainability accounting; Theoretical perspective; Village-owned enterprise*

Abstrak

Tujuan dari artikel ini untuk memberikan sebuah perspektif baru mengenai kemungkinan implementasi dari akuntansi keberlanjutan pada organisasi bisnis kecil, khususnya Badan Usaha Milik Desa (BUM Desa). Kami berpendapat meskipun organisasi bisnis kecil memiliki keterbatasan-keterbatasan dalam sumber daya organisasi, organisasi bisnis kecil memiliki peran yang krusial untuk mengimplementasikan konsep akuntansi keberlanjutan pada ekosistem bisnis. Studi ini mengembangkan argument-argumen teoretis berdasarkan dari hasil-hasil penelitian terdahulu. Kami menggunakan metode penelitian kepustakaan untuk mengidentifikasi hasil penelitian terdahulu dalam konteks akuntansi keberlanjutan dan organisasi bisnis kecil. Studi ini telah menemukan isu-isu yang berhubungan dengan akuntansi keberlanjutan dan organisasi bisnis kecil. Kami juga mengidentifikasi isu tersebut dan membahasnya dalam argumentasi-argumentasi teoretis.

Kata Kunci: Akuntansi keberlanjutan; Badan usaha milik desa; Metode kepustakaan; Perspektif teoretis.

*Chronicle of Article: Received (7 March 2022); Revised (2 May 2023); and Published (31 December 2023)
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INTRODUCTION

The concept of sustainability accounting has been massively implemented in the business ecosystem. For example, the practice of environmental management accounting has been applied to internal organization (Gibassier & Alcouffe, 2018; Schaltegger, 2018). In addition, the practice of sustainability accounting has also been widely practiced in the mining industry (Hess, 2014). The existence of examples of the implementation of sustainability accounting has shown innovation from corporate accounting to support issues related to sustainability. Although this practice is implemented in various aspects, there are several challenges in the implementation process (Schaltegger et al., 2017). Public companies tend to be able to implement sustainability accounting because they have sufficient resources. The existence of sufficient resources allows organizational management to maximize every part of the organization in an effort to implement sustainability accounting. Therefore, any innovation that appears in the field of sustainability accounting, always starts from existing practices in public companies.

Although sustainability accounting practices have been widely discussed in the context of public companies, this topic is rarely discussed in the context of small business organizations (Loucks et al., 2010; Mengistu & Panizzolo, 2023). This study defines small business organizations as those that operate at a local level (district or province), have at least one specific business line, and have annual sales of more than 2 billion rupiah. The small business organization referred to in this study is specifically village-owned enterprise (VOE). To the best of our knowledge, not many studies have been conducted on the topic of sustainability accounting and small business organization, specifically in Indonesian context. We argue that as part of a large business ecosystem, small business organizations should be able to implement the principles of sustainability accounting and adapt it to their organizational characteristics. The implementation of sustainability accounting in small business organizations will make the social community believe that every part of the business ecosystem is committed to practice the sustainability principles in business. In general, small business organizations in an individual context may have a small impact on financial performance, social performance, and environmental performance, but cumulatively, the impact of small business organizations is very significant (Lawrence et al., 2006). The fundamental question in the context of small business organizations is how a single economic entity can contribute to the social community through sustainable practices (Lawrence et al., 2006). In the end, the cumulative number of small business organizations that implementing the sustainability accounting practices will have a large impact on the social community. This is also based on the fact that in the Indonesian context, small business organizations have a massive quantity and crucial role for economic growth.

Several previous studies have attempted to examine sustainability accounting practices or accounting practices that support the concept of sustainability in small business organizations. Nartey & Poll (2021) examined the innovative management accounting practices that support the concept of sustainability in small business organizations in manufacturing. In the context of sustainability performance in small business organizations, there has been research on the factors that influence organizational management in disclosing sustainability performance (Scagnelli et al., 2013). Gorondutse et al. (2021) tried to include the concept of sustainability in assessing the performance of small business organizations. A dynamic business strategy is urgently needed, therefore,

the concept of sustainability can be included in the performance evaluation of small business organizations (Gorondutse et al., 2021). Das et al. (2020) examined the perspective from the concept of corporate sustainability on small and medium enterprises (SMEs) in Asia. Das et al. (2020) explained that achieving good sustainability performance in SMEs requires a process of collaboration between internal stakeholders and external stakeholders. This is because SMEs have limited resources and different characteristics from public companies in implementing the concept of sustainability (Das et al., 2020). Bos-Brouwers (2010) also explained that the concept of corporate sustainability in SMEs and innovation from organizational management will be able to improve the overall performance of SMEs. In the context of SMEs' sustainability reporting, Caputo et al., (2017) developed a conceptual model to introduce the concept of sustainability reporting to SMEs.

Village-owned enterprise (VOE) is an example of small business organization that has a great opportunity to implement the concept of sustainability accounting. The existence of regulations related to VOE has had a major impact on VOE. Now, the organizational status of the VOE is becoming clearer and gives authority to the management of the VOE to develop the business like an independent business organization. Based on Government Regulation 11 of 2021, VOE now has the status of "badan hukum" (legal entity or corporation). For the Indonesian context, VOE is a business organization that aims to maximize the economic potential of the village which can ultimately create overall prosperity. The purpose of the existence of VOE is to improve the village economy and increase community businesses through economic empowerment. The orientation of creating VOE is not only to provide economic benefits for the village itself, but also has an impact on equitable economic benefits such as opening up employment opportunities for village communities, improving the economy, and expanding market access. The establishment of VOE can define that the village community has a high commitment to maximizing the resources owned by the village. VOE also reflects how the village community together wants to reduce the disparities that exist in the village. VOE is an instrument or tool for utilizing the local economy with various types of potential. The village government with the village community must understand that the village potential or resources can be developed through VOE.

Economic resources in the village should be integrated into VOE and managed professionally like a professional business unit. This increase in the status of VOE raises a logical consequence that VOE has a great opportunity to increase its level of profitability and is accompanied by a crucial increase in the social and environmental responsibility of VOE. As a legal entity, VOE is given legitimacy by the social community to manage resources in the village. This process will provide an opportunity for VOE to increase its business growth and provide welfare for the social community in the village. Conversely, with the legitimacy provided by the social community to increase business growth, there will also be great social and environmental responsibility towards VOE. Judging from the theory of legitimacy, it is very natural that VOE has great social and environmental responsibility as a consequence of the legitimacy provided by the social community. From the perspective of stakeholder theory, VOE is an organization that has an emotional contract with its stakeholders. This is because VOE has the opportunity to explore the resources in their area and the management of VOE, who are indigenous people from the village. The existence of this emotional contract forces VOE to explore resources in the

village responsibly and does not have a major impact on the social community and the environment. With this argument, we argue that VOE is an example of an organization that can implement the concept of sustainability accounting because it is based on its characteristics as a village-based organization managed by village communities and explore the resources from the village.

In this study, the implementation of sustainability accounting in VOE is focused on discussing sustainability performance and sustainability reporting. Sustainability performance is an organization's non-financial performance and relates to the implementation of the concept of sustainability and the extent to which the organization's management attempts to achieve sustainable development goals. Currently, sustainability performance is a crucial performance and has been used as an indicator of a comprehensive performance appraisal (Hussain et al., 2018; Kim et al., 2021). More broadly, the integration of the concept of sustainability into corporate information reporting has led to the concept of sustainability reporting. The sustainability reporting model is a comprehensive information reporting model that includes information on the company's financial performance, social performance, and environmental performance (triple bottom lines). Currently, the trend of corporate sustainability reporting has become more widespread and provides benefits for company stakeholders in decision-making process (Amran & Ooi, 2014; Dienes et al., 2016). To the best of our knowledge, these two examples of sustainability accounting practices have not been massively implemented at VOE, particularly in Indonesia. We are of the opinion that with the increase and development of VOE's business, VOE also has a crucial role to play in promoting and implementing the concept of sustainability accounting. Every part of the business ecosystem has a crucial role in the context of sustainability and we believe that VOE also has a great opportunity to implement sustainability accounting practices in their business activities (Loucks et al., 2010). This article tries to provide a new perspective on the possibility of implementing the concept of sustainability accounting in small business organizations, especially in VOE. This study is also expected to support accounting research that focuses on the implementation of sustainability accounting and SDGs (Bebbington et al., 2017; Bebbington & Larrinaga, 2014).

The next section explains the literature review and method of this study and also we present our arguments in the discussion section. In the conclusion section, we summarize our arguments, we create the suggestions to stakeholders, and our suggestions for future research.

LITERATURE REVIEW

The sustainability is a concept that emerged from the understanding that sometimes economic activities are not in harmony with environmental logic. The classical view explains that the environment must be exploited to obtain large economic benefits. This classic view has begun to be abandoned since the emergence of the triple bottom lines concept (Kolk, 2008). The triple bottom lines concept proposes that a company's business activities must achieve a good level of profit, but also pay attention to the interests of the social community and the environment. Thus, the concept of sustainability aims to ensure that today's resources can also be enjoyed by future generations with the same quality. The impact of the emergence of the concept of sustainability forces companies not only to focus on financial measures in measuring company performance, but also to pay attention to the

company's commitment to implementing the concept of sustainability in the company's business activities. Implementing the concept of sustainability in an organization can provide many benefits, for example improving organizational governance, increasing organizational commitment to sustainable practices, changing organizational culture to be in line with sustainability issues, and increasing organizational information accountability through disclosing social and environmental information (Khan et al., 2016). In other words, implementing the concept of sustainability in a business organization can improve the internal quality of the organization and also directly provide additional value and benefits for the organization's stakeholders.

Implementing the concept of sustainability accounting in a business organization will give rise to the concept of corporate sustainability (Khan et al., 2016). The concept of corporate sustainability can be interpreted as meaning that company management has attempted to include sustainability issues in the company's strategic decisions. The trend of implementing corporate sustainability is increasing because it is closely related to the company's reputation. Companies with high capacity and capability will strive to gain a reputation for corporate sustainability to signal to stakeholders that the company has high concern for sustainability issues. One way to realize corporate sustainability is to implement sustainable accounting practices within the organization. Furthermore, Ernst et al. (2022) explained that the concept of corporate sustainability has also developed in the context of small business organizations. Small business organizations that have sufficient capabilities can implement sustainability accounting and this is the start of moving towards corporate sustainability. In the context of small business organizations, achieving corporate sustainability requires more support not only from internal stakeholders, but also from external stakeholders (Ernst et al., 2022).

Previous research results show that sustainability accounting practices can be implemented in a small business organization. This shows that a small business organization has good capacity and capability to implement sustainability accounting practices. For example, innovative management accounting practices that support the concept of sustainability have been implemented in small business organizations in the manufacturing sector (Nartey & Poll, 2021). This provides an argument that the management of small business organizations has creativity in implementing accounting systems within the organization so that the organization is able to implement the concept of sustainability. Another sustainability accounting practice implemented in small business organizations is the implementation of sustainability performance. Scagnelli et al. (2013) examined the factors that can influence the management of small business organizations and reveal organizational performance. In this context, currently a small business organization is not only assessed by financial performance, but can also be seen in terms of social performance and economic performance. The existence of the concept of sustainability performance in small business organizations indicates that small business organizations have a crucial role in implementing the concept of sustainability, just like other large companies.

The VOE organization as belonging to the village community can also be interpreted as a company with various types of stakeholders. In this context, VOE management has contractual ties with all relevant stakeholders. From the perspective of legitimacy theory and stakeholder theory, the VOE management must ensure that VOE business activities are in line with prevailing social values (Dowling & Pfeffer, 1975). Thus, organization will

gain legitimacy when organizational behavior is in line with social values (Dowling & Pfeffer, 1975). This is in accordance with the implementation process of the SDGs for village. Implementation of the SDGs for village is an inclusive process where all parties must be involved in the process (Iskandar, 2020). Achieving the indicators in the SDGs for village can be understood as the goal of development in the village and due to the complexity of the SDGs for village, each component in the village can play a role according to their respective functions. VOE as an organization that has authority in the village economic context has a crucial role in the SDGs for village. This can be seen from several indicators in the SDGs for village which are closely related to the function of VOE. The VOE management must be aware of its function in the context of improving the village economy (Nilawati & Harvitrananda, 2021). With this understanding, the VOE management can implement new ways of running business and also support the achievement of SDGs for village. The VOE management must start changing its perspective and start playing an active role in efforts to achieve the SDGs for village. Starting to play an active role can be understood by starting to implement the concept of sustainability accounting into existing accounting practices at VOE. The implementation of sustainability accounting at VOE shows the commitment of VOE management, therefore, VOE is on par with other business organizations that have implemented and increased the contribution of VOE to the stakeholders in the village in the context of sustainability.

RESEARCH METHODS

We used the library research method. In this method, we identified and analyzed the previous literatures that explained the sustainability accounting and small business organizations. We are of the opinion that the library research method is in accordance with the objectives of this study to understand relevant previous research results and help us to develop the theoretical arguments. We followed several previous studies that used the literature as a basis for organizing discussions in small business context. As an example, Bartolacci et al. (2020) and Tullio & Tarquinio (2021).

To assist in searching for past literatures, we used 2 online-based literature search platform. We used the platform of Open Knowledge Maps (can be found at <https://openknowledgemaps.org/>) dan Research Rabbit (can be found at <https://www.researchrabbit.ai/>). To get specific literatures, we operated several keywords, for example "sustainability accounting", "small business organization", "village-owned enterprise", and "accounting for sustainability". We also selected the "all year" filter in our literature searching to get the comprehensive articles. We used several criteria in our searching for relevant literatures. Some of these criteria are (1) articles that specifically discuss the implementation of sustainability accounting in small business organizations and (2) articles are available online and can be accessed and downloaded. To make it easier to organize the discussion, we made three categories in the grouping of previous literatures. The three categories are (1) sustainability accounting in small business organizations, (2) sustainability performance, and (3) sustainability reporting. Table 1 presents examples from the previous literatures that we found.

Table 1. The Examples of Previous Literatures

No.	Literature Category	Authors	Explanation
1.	Sustainability Accounting in Small Business Organization	(Loucks et al., 2010) (Nartey & Poll, 2021) (Majukwa et al., 2020) (Rubio-Andrés et al., 2020)	This study explains how small and medium businesses can implement the concept of sustainability. This study describes the practice of innovative management accounting for sustainability in small and medium enterprises. This study examines the impact of sustainability strategies for small and medium enterprises. This study examines sustainability, good governance, and social responsibility in small medium enterprises.
2.	Sustainability Performance	(Scagnelli et al., 2013) (Hussain et al., 2018) (Kocmanová et al., 2011) (Adams et al., 2014)	This study examines how small business organizations disclose sustainability performance and also explains the reporting guidelines. This study explains how the connection between corporate governance and sustainability performance. This study examines environmental, social, and corporate governance performance in small and medium enterprises. This study describes the measurement of sustainability performance in the public sector. Even though it does not focus on small business organizations, this study can be a foundation for developing the same concept for VOE.
3.	Sustainability Reporting	(Arena & Azzone, 2012) (Permatasari & Kosasih, 2021) (Rossi & Luque-Vílchez, 2020) (Greco et al., 2015; Kaur & Lodhia, 2018)	This study creates the operational framework for sustainability reporting, particularly in small medium enterprises. This study describes the sustainability reporting guideline for small and medium enterprises. This study examines the implementation of sustainability reporting in small and medium enterprises. This study describes stakeholder engagement in sustainability accounting and sustainability reporting practice. Although they do not focus on small business organizations, these studies can be used as references in the VOE context.

Source: Authors (2021).

To understand the data from the previous studies, we used content analysis. In content analysis, we focused on information regarding the topic of the article, the issues raised, and the ideas or discussions presented. Content analysis allows us to gain perspective from past research and use it to build our argument. Content analysis has been used extensively in articles in the field of sustainability accounting. As an example, Singh & Aggarwal (2019) and Torelli et al. (2020).

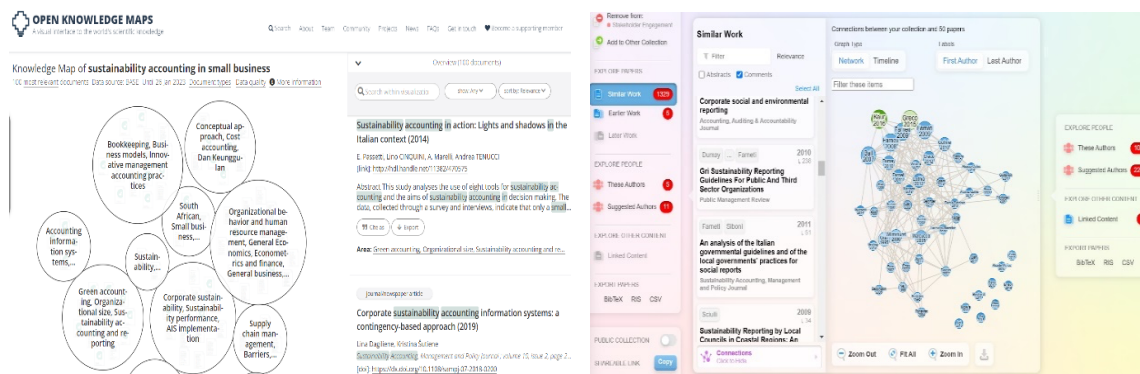


Figure 1. The Open Knowledge Maps and Research Rabbit Platform
Source: Authors (2022).

Thus, the stages for this study were (1) searching for previous literatures on the Open Knowledge Maps and Research Rabbit platforms using specific keywords, (2) grouping search results from previous literature according to their categories, (3) operating the content analysis on the literature to identify research topics, problems, and solutions offered, and (4) developing the theoretical arguments based on understanding from previous literatures.

RESULTS AND DISCUSSION

We begin this section by explaining the implementation of sustainability accounting in small business organizations based on previous literatures. Loucks et al. (2010) explained that the concept of sustainability can be implemented in small and medium enterprises. The management of SMEs must implement business strategies that can enhance the social and environmental sustainability of the organization (Loucks et al., 2010). Determination of these strategies must be based on the long-term goals of the organization and the resources owned by the organization. In the end, the strategy that will be implemented can help to improve the social and environmental performance of the organization (Loucks et al., 2010). With this explanation, we can develop a new point of view that the implementation of sustainability accounting is part of an organizational strategy whose goal is to improve organizational performance from the context of social and environmental performance. For example, Nartey & Poll (2021) described the innovative management accounting practices for sustainability for SMEs in the manufacturing industry. Innovative management accounting practices can be used by management as part of organizational strategy. The implementation of an organizational strategy based on the concept of sustainability can increase the role of the organization in a social and environmental context (Nartey & Poll, 2021). In terms of impact, the implementation of this business strategy will have a major impact on the organization.

If we assume that the organization implements a business strategy based on the concept of sustainability for a long period of time, then the organization will provide benefits to the wider community. Majukwa et al. (2020) found that SMEs that implement sustainable business strategies can create stable business growth and create large job opportunities for the social community. Thus, the implementation of an organization's business strategy based on the concept of sustainability not only provides great benefits to the organization, but also contributes to the social and environmental community. The process of

implementing the concept of sustainability accounting in small business organizations requires good organizational governance and management commitment to social responsibility. Rubio-Andrés et al. (2020) explained how the quality of good governance and commitment to social responsibility can encourage SMEs to implement the concept of sustainability. If this explanation is used in the context of VOE, then the implementation process of sustainability accounting at VOE requires good organizational governance and management commitment to social responsibility. In other words, the implementation of sustainability accounting at VOE will encourage organizational management to improve the quality of governance and increase commitment to social responsibility, especially for people in rural areas. The effort to improve the quality of organizational governance and social responsibility is also based on the status of VOE which has become a legal entity.

We argue that, for now and taking into account the characteristics of VOE in Indonesia, the implementation of sustainability accounting can be realized through the application of sustainability performance and sustainability reporting. In the VOE context, organizational performance measurement still focuses on financial information. With VOE's status as a legal entity and the implementation of sustainability accounting as a business strategy, the performance measurement of VOE can be more comprehensive by considering social and environmental performance. The practice of sustainability performance is part of a business strategy to improve VOE's performance on social and environmental aspects. Thus, VOE will have indicators of sustainability performance. This idea regarding sustainability performance has been put forward by Adams et al. (2014) and has inspired it to be implemented in other organizations. Scagnelli et al. (2013) explained that a simple guideline is needed for disclosure regarding the sustainability performance of SMEs. Disclosure of sustainability performance is closely related to sustainability reporting. Directly, the information contained in the sustainability reporting reflects the sustainability performance of SMEs. Sustainability reporting is a medium that can be used by SMEs to disclose information about sustainability performance and increase organizational legitimacy (Scagnelli et al., 2013). The implementation of sustainability performance can also improve the quality of organizational governance (Hussain et al., 2018; Kocmanová et al., 2011).

In the context of VOE, management's commitment to implementing the sustainability performance will make VOE have programs or strategies related to social and environmental issues. For example, to improve social performance, VOE will develop programs to improve the quality of human resources through training and workshops. Directly, this will have an impact on improving the quality of human resources owned by the organization. In the context of environmental performance, VOE management will develop strategies related to organizational waste management and investment in the use of renewable energy. We realize that the implementation of sustainability performance requires a long process, but with an initial commitment from management, we believe that in the future, VOE will be able to have indicators related to sustainability performance. Theoretically, we argue that the implementation of sustainability performance can increase the legitimacy gained by VOE to carry out business activities (legitimacy theory) and the social and environmental performance achieved by VOE will have a direct impact on social communities so as to increase collaboration between VOE and social communities in rural areas (stakeholder theory).

A similar explanation can be put forward for the practice of sustainability reporting at VOE. The practice of sustainability reporting has not been carried out massively for the VOE in Indonesia. We are of the opinion that stakeholders do not yet need a sustainability report to find out information related to VOE. However, with VOE's status as a legal entity and the expansion of VOE's business, it is very possible for VOE management to prepare a sustainability report in the future, therefore, the stakeholders have a comprehensive understanding of VOE. For the initial stages, a framework or guidelines are needed for VOE management to prepare a sustainability report. The existence of these frameworks and guidelines is crucial to ensure that sustainability reporting from small business organizations is of good quality (Arena & Azzone, 2012; Permatasari & Kosasih, 2021). Although we also have to realize that the sustainability report disclosed by VOE is not as complex as the sustainability report from a public company. We are of the opinion that the information contained in the sustainability report from VOE at least informs about economic performance, social performance and environmental performance and the preparation of a sustainability report must involve aspects of stakeholder engagement. Theoretically, preparing an organizational sustainability report is an example of stakeholder engagement practices (Camilleri, 2015; Kaur & Lodhia, 2018). Stakeholders from VOE must be involved in the preparation of the sustainability report and have a great opportunity to provide suggestions and criticisms of the contents of the sustainability report. Thus, the practice of preparing sustainability reports at VOE must begin with requests from stakeholders. Requests from these stakeholders can be interpreted as "stakeholder pressure", therefore, the management from VOE can disclose comprehensive information about organizational performance. The existence of "stakeholder pressure" is also a logical consequence of the legitimacy gained by VOE to utilize rural resources. Ultimately, stakeholders will be fully involved in supervising and monitoring VOE activities through comprehensive information disclosed in the sustainability report.

The implementation of sustainability accounting in VOE is also support for achieving SDGs in the rural context. The central government through the Ministry of Village, Development of Disadvantaged Regions and Transmigration has established the SDGs concept for the rural context. SDGs for rural areas is derivative of the global SDGs concept which are structured, therefore, can be implemented in rural areas. Iskandar (2020) explained that SDGs indicators have a very important position in the context of village development. This is because the SDGs concept provides detailed development goals and indicators. With detailed goals and indicators, stakeholders will be able to assess and measure easily whether the development process in the village is in accordance with the SDGs concept. Iskandar (2020) described that it is necessary to translate the global SDGs concept into a village-scale SDGs concept that is in accordance with village characteristics. In a broader context, VOE can play a role in achieving SDGs at the village level. If properly understood, several indicators in the SDGs for rural areas are directly related to the activities of the VOE. In this perspective, VOE has an important role to play in helping village communities achieve the indicators of SDGs. Nilawati & Harvitrananda (2021) tried to explain the role of the VOE in the context of achieving sustainable development goals. To help achieve SDGs, VOE can have several roles, namely institutional role, partnership role, and community-based activator role (Nilawati & Harvitrananda, 2021). From the point of view of legitimacy theory and stakeholder theory, the management of the VOE must ensure that the business activities of the VOE are in line with prevailing social values (Dowling & Pfeffer, 1975). Thus, organizations will gain legitimacy when

organizational behavior is in line with social values (Dowling & Pfeffer, 1975). This is in accordance with the implementation process of the SDGs for village. The implementation of SDGs for rural area is an inclusive process where all parties must be involved in the process (Iskandar, 2020). The achievement of the indicators in the SDGs for rural area can be understood as the goal of development in villages and due to the complexity of SDGs for rural area, each component within the village can play a role according to their respective functions. VOE as an organization that has authority in the context of the village economy has a crucial role in SDGs for village.

In the end, we argue that theoretically, the implementation of sustainability accounting in VOE has a big chance. The implementation of sustainability accounting at VOE must be based on several aspects, for example limited resources at VOE and conformity with the characteristics of VOE. The VOE management must have a new perspective, therefore, the organization can implement the concept of sustainability in business. Current accounting practices have incorporated sustainability elements, therefore, the accounting practices become more comprehensive. Now, accounting does not only focus on information about the financial performance of organization, but also supports information about social performance and environmental performance. In a broader context, there is harmony or a relationship between accounting practices and sustainable development (Bebbington et al., 2017; Bebbington & Larrinaga, 2014). de Silva Lokuwaduge et al. (2020) explained that business and its ecosystem can play the role of being an active agent of change in supporting the achievement of sustainable development goals. This is also in line with the basic principles of the SDGs where development must be inclusive and involve all parties involved. Thus, business organizations have a major role to assist in realizing sustainable development goals. Montiel et al. (2021) has comprehensively explained how to implement the SDGs concept in international business practices. The role of business organizations in achieving sustainable development goals will not only accelerate the achievement of these goals, but can also expand the scope of implementing sustainable development goals. In the context of the SDGs for rural area, VOE has an important role to play in assisting the process of achieving the indicators. The roles and responsibilities of VOE in the context of SDGs for rural area became wider when VOE became a legal entity. As a legally incorporated organization, VOE turned into a professional and independent business organization. VOE has broader authority to increase business activities and maximize village potential. In other words, VOE experienced an expansion of business activities. From a sustainability accounting perspective, the expansion of business activities can be interpreted as an expansion of responsibility on social issues and environmental issues. The VOE management can continue to explore and maximize the village's economic potential, but still contribute to social and environmental issues in the village, for example by implementing sustainability performance and sustainability reporting.

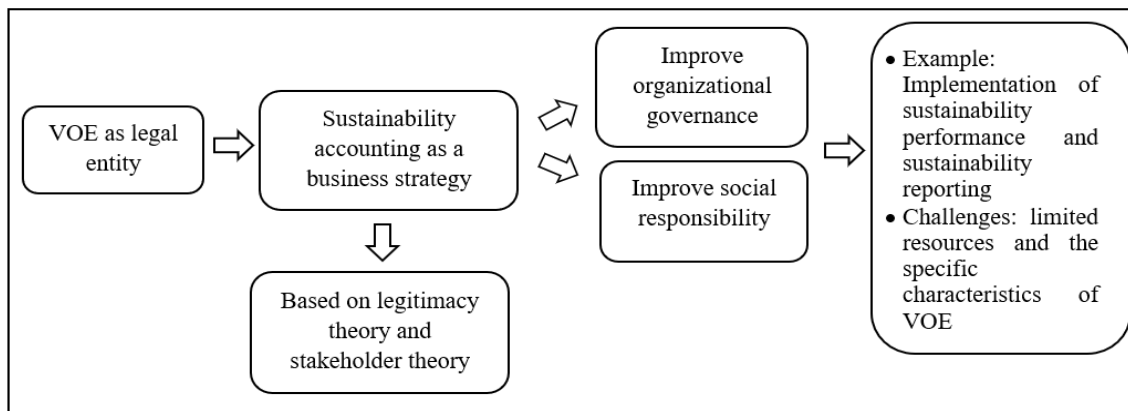


Figure 2. The Implementation of Sustainability Accounting in VOE
Source: Authors (2022).

CONCLUSIONS

Based on the arguments we have compiled, we conclude that the implementation of sustainability accounting has a great opportunity to be implemented in VOE. As part of the business ecosystem, VOE has a crucial role in the implementation of sustainability accounting. Even though VOE has limitations, for example limited resources, the practice of sustainability accounting can still be implemented to suit the characteristics of VOE. We argue that in the early stages, VOE can apply the concept of sustainability performance and sustainability reporting while still focusing on the specific characteristics of the VOE. Efforts to implement sustainability accounting are also a logical consequence of VOE's business development, therefore, VOE has broader social and environmental responsibilities. And, the implementation of sustainability accounting is a form of support from VOE management to achieve the SDGs.

We provide several suggestions and input to relevant stakeholders to support the implementation of sustainability accounting at VOE. First, we encourage policy makers to develop guidelines related to measuring VOE performance that are more comprehensive and not only focused on financial performance information. This comprehensive performance measurement will strengthen the participation of VOE in the context of social and environmental responsibility. Second, we encourage stakeholders to promote the concept of sustainability reporting for VOE. Sustainability reports in VOE do not have to be complex, but still disclose information regarding financial performance, social performance and environmental performance and are prepared according to the characteristics of the VOE. Third, we hope that the stakeholders have a high commitment to encourage VOE management to apply sustainability principles in business activities. The development in VOE's business allows VOE management to contribute to social and environmental aspects broadly and assist local government to achieve SDGs in their community.

We also encourage academicians to organize research and assist the management of VOE for the implementation of the concept of sustainability accounting. Accounting research needs to be expanded to examine the role of accounting in the context of sustainability and SDGs (Bebbington & Unerman, 2018). Topics in this research area are growing and covering various aspects of accounting. Small business organization is part of the discussion in the field of accounting and it is very interesting to develop research related

to the implementation of sustainability accounting in small business organizations. In our perspective, the existence of research regarding the implementation of sustainability accounting in small business organizations shows support from academicians for the implementation process in the future. We realize that the implementation of sustainability accounting at VOE requires massive academic study support to facilitate the implementation process in the future. Thus, the available research space is still wide open for further exploration. Apart from that, research regarding the implementation of sustainability accounting at VOE will open up more collaboration between universities, VOE management, and local government. Collaboration involving many stakeholders is very crucial to ensure that the implementation of sustainability accounting at VOE gets a lot of support from various stakeholders. In our perspective, the implementation process of sustainability accounting at VOE is a complex process and of course requires support from various stakeholders.

We also provide suggestions and guidelines for future research, particularly on the topic of sustainability accounting and small business organizations. Subsequent research can examine the internal factors of the VOE organization that can help the implementation of sustainability accounting. Studies can be focused on how the level of management commitment and the quality of human resources can drive the implementation of sustainability accounting in VOE. Furthermore, it can be examined how a model or framework for sustainability performance and sustainability reporting can be implemented at VOE. Studies from Loucks et al. (2010), Nartey & Poll (2021) and Scagnelli et al. (2013) can be used as the main references.

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