

Integrating Sad Kerthi Loka Bali Into Entrepreneurial Training: A Conceptual Framework For Strengthening Voe Capacity Through Tri Parartha-Based Character Formation

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Abstract

The management of Village-Owned Enterprise (VOE) is commonly oriented on narrow material aspects (Artha) without considering spiritual, social, and ecological values. This study aimed at providing a conceptual framework called as Punia Kerthi entrepreneurship training model that integrated local values of Sad Kerthi Loka Bali, such as Tat Twam Asi, Tri Hita Karana, and Tri Purusa Artha, with the European entrepreneurial competency framework. This framework was expected to build a theoretical foundation for holistic and value-based training for shaping the characters of entrepreneurs in the village who were ethical, socially minded, and environmentally conscious. The findings showed that the Punia Kerthi model was able to organize training in three main dimensions: ontology (awareness of ecological and spiritual connectedness), axiology (developing a business vision based on Tri Purusa Artha, and epistemology (business strategy that combined Sad Kerthi Loka Bali. This training was designed to produce entrepreneurs with the characteristics of compassion, Punia, and bhakti and support the sustainability of village businesses. In conclusion, this framework not only offered a new approach to entrepreneurship education based on local wisdom, but also contributed to strengthening the capacity of VOEs and preserving Balinese culture in a modern context.

Keywords: entrepreneurship, local values, village-owned business enterprise

INTRODUCTION

Nowadays, entrepreneurial training has been rapidly expanded worldwide. The popularity is due to the economic transformation in this globalization era (Galvão et al., 2020; Gielnik et al., 2016). It constitutes a solution to spur economic growth and prosperity of a certain country as occurred in Indonesia. It is mentioned that emphasizing entrepreneurship through education is an integral part in creating inclusive economic growth (Tamar et al., 2019). Several policy documents related to economic and regional development highlight entrepreneurial training is critical to exploit entrepreneurial opportunities (Lindh & Thorgren, 2016). It also concludes that entrepreneurial training fosters contributes a cross-national entrepreneurial culture by fostering mindsets to improve economic growth at the local region or nationwide.

The urgency of entrepreneurial training has been implemented to drive the economic potential in the rural areas in Indonesia. It is firstly adapted to develop an inclusive economic growth, poverty alleviation, and local-based community empowerment through the existence of Village-Owned Enterprise or known as BUMdes (Darmawan et al., 2022). However, the implementation meets various challenges, such as; low institutional capacity, weak governance, and a lack of entrepreneurial competency among its managers. Various training programs have been implemented to address these challenges, but the majority remain technocratic and uniform in orientation, failing to address the local values and culture inherent in rural communities (Harsana & Fauziah, 2023). These challenges are regarded as an issue representing a critical development to the village as a foundation in global competition (Lesmana et al., 2025).

Bali is a region known for its strong cultural and spiritual richness in which VOE has a significant role in the economic growth of the local people. Almost each region has its own VOE as a place for the village community to contribute their values. Since a purely technocratic approach to entrepreneurship training has proven ineffective in building VOE capacity holistically (Liu et al., 2020; Rumanti et al., 2022; Asmaraningtyas et al.,

2023), adapting local values is taken as an action to overcome the current issues. Balinese society is philosophically and practically linked to local wisdom values, such as; *Tri Hita Karana*, *Tri Kaya Parisudha*, and *Tat Twam Asi*. Those values emphasize spiritualism, socialism, and ecologicalism as the primary foundations of every activity, including business management. One manifestation of these noble values is *Sad Kerthi Loka Bali*, a development concept officially enshrined in Bali Governor Regulation Number 9 of 2019. It encompasses six aspects of harmony between humans and their souls, sea, water, forest, fellow human being, and the universe. These values are not only a cultural heritage but also a life system that governs the perspectives and actions of Balinese people in developing their villages (Mahendra, 2021; Yustiani Posumah et al., 2023).

In practice, the orientation of Village-Owned Enterprises (VOE) management often focuses solely on Artha, or material achievement in which other fundamental dimensions are neglected. There are many fundamental dimensions required in the management, such as; character building, social responsibility, and environmental sustainability. This imbalance in orientation demonstrates the need for a training approach that not only provides technical skills but also integrates values and character development as key elements. Based on these reflections, this study develops a conceptual framework for entrepreneurship training that integrates *Sad Kerthi Loka Bali* with the *Tri Parartha* values of *Dharma*, *Artha*, and *Kama*, as a philosophical foundation that can balance spiritual, social, and economic visions in VOE development.

This framework is constructed through three main dimensions: ontological, axiological, and epistemological. From an ontological perspective, villages and VOE are viewed as organic parts of nature, a system of life integrated and connected to ecosystems and spirituality. VOE is not merely economic entities, but also a platform for realizing social harmony and cultural sustainability. The axiological aspect of this framework places *Tri Purusa Artha* as the foundation of VOE's objectives, where *Dharma* (truth and responsibility), *Artha* (prosperity), and *Kama* (happiness) serve as a vision and mission that balances economic benefits and life values. Meanwhile, the epistemological aspect explains the strategy for achieving these goals through the integration of local values of *Sad Kerthi Loka Bali* with the entrepreneurship competence framework approach as a modern competency framework. This integration aims to create training that is not only technically effective but also socially relevant and culturally meaningful.

This study aims to develop a conceptual framework for entrepreneurship training based on the values of *Sad Kerthi Loka Bali* and *Tri Parartha* to strengthen the institutional capacity of Village-Owned Enterprise through contextual and sustainable entrepreneurial character development. Unlike previous studies that emphasized quantitative approaches and technical competency measurements, this study places values at the center of capacity development, using a qualitative approach derived from local narratives, social practices, and reflections on cultural values. The research's contributions lie in three main aspects: theoretically expanding the educational framework for value-based and locality-based training, practically offering strategic guidance in designing community entrepreneurship training, and policy-making providing an alternative approach that can be adopted by local governments, training institutions, and VOE managers in culturally diverse areas.

The main findings of this study indicate that entrepreneurship training solely oriented toward technical competency has not been able to sustainably transform institutional mindsets and behaviors. The integration of *Sad Kerthi Loka Bali* and *Tri Parartha* values can expand the scope of training to include character building, awareness transformation, and strengthening motivation based on devotion and mutual benefit. By formulating a conceptual framework for training based on the ontological, axiological, and epistemological dimensions, this study presents a new approach to developing the capacity of VOE that is more humane, spiritual, and adaptive to the local cultural context.

METHODS

This study used qualitative approach to an entrepreneurship training model based on the local values of *Sad Kerthi Loka Bali* to strengthen the capacity and character of Village-Owned Enterprises (BUMDES) managers in Bali, Indonesia. This approach was selected considering it captured the complexity of values, philosophies, and socio-cultural practices existing within Balinese society. It also allowed for in-depth exploration of the meaning

structures underlying the actions of village economic actors. There were 16 managers who were the representatives of VOE from 8 regencies involved as the research participants. They were selected purposively. Epistemologically, this research departed from a social constructivist perspective, where knowledge was perceived as a social construction formed through interactions between individuals, culture, and the environmental context. Therefore, the training model developed not simply adopted universal training standards but rather contextualized entrepreneurship training through the integration of *Sad Kerthi Loka Bali* values and the competencies. The conceptual design of this study referred to the construction of three main dimensions that shaped the structure of the training model: ontology, axiology, and epistemology. In the ontological dimension, training was aimed at instilling an understanding that VOEs are organic entities existing within the ecosystem and spirituality of the village. This concept was instilled through the internalization of the values of *Tri Hita Karana* and *Tat Twam Asi* which gave rise to the basic behaviors of *Asih*, *Punia*, and *Bhakti* as the main values in business management.

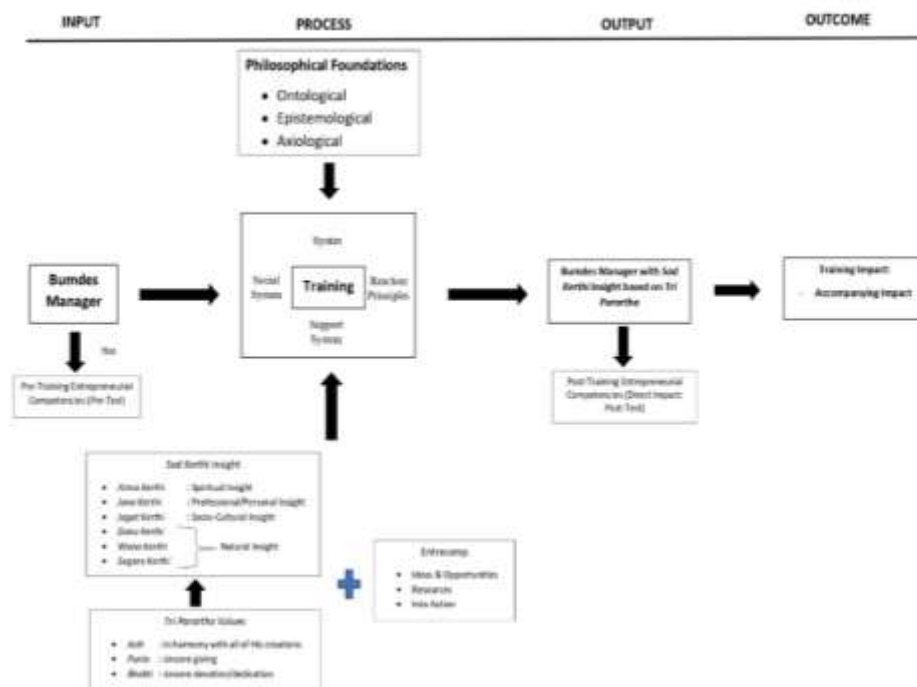


Figure (1). The Theoretical Framework of Entrepreneurship Based *Sad Kerthi Loka Bali*

(Source: Author's Document, 2025)

The axiological dimension focused on developing a vision and mission for the Village-Owned Enterprise (Bumdes) business that aligned with the *Tri Purusa Artha*, namely; *Dharma* (truth and responsibility), *Artha* (prosperity), and *Kama* (happiness). At this stage, the training was aimed at encouraging participants to develop business goals that are not only economically oriented, but also spiritual and social. Meanwhile, in the epistemological dimension, the training provided strategies and steps for achieving the vision by combining the six main elements of *Sad Kerthi* (*Atma*, *Jana*, *Wana*, *Danu*, *Samudra*, and *Jagat Kerthi*) with entrepreneurial competencies, which included ideas and opportunities, resource management, and the ability to develop action. The prototype model was developed through theoretical and practical reconstruction, referring to a competency-based training model consisting of five syntactic stages: (1) Introduction, (2) Connection, (3) Application, (4) Reflection, and (5) Evaluation. These stages formed a systematic and iterative learning structure to ensure the internalization of values and the continuous strengthening of participants' entrepreneurial competencies.

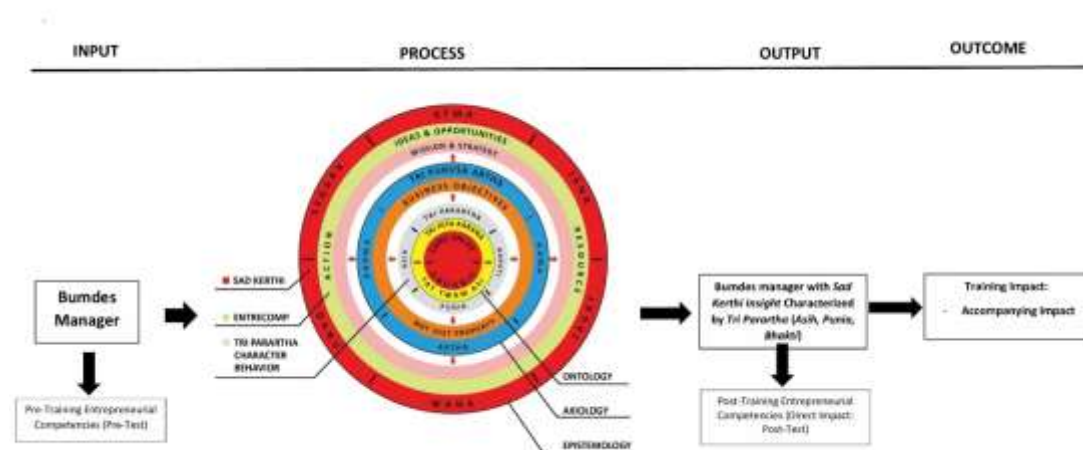


Figure (2). The Prototype Model of Entrepreneurship Training Based on *Sad Kerthi Loka Bali* (Source: Author's Document, 2025)

The primary data was collected from observation, document analysis, and reflection including the pre-validation from the experts. The triangulation was conducted through content validity and depth-reflection. Therefore, the method used not only guaranteed the academic validity of the training model, but also the practical relevance and social acceptability of the locally-minded entrepreneurship training framework which was expected to strengthen the sustainability and empowerment of VOE in Bali.

RESULTS

Based on the assessors' input from each testing stage, including validity, practicality, and effectiveness, the core competencies of the *Punia Kerthi* training were agreed upon three main foundations: ontology, axiology, and epistemology. Ontologically, participants were equipped with a holistic entrepreneurial mindset based on *Tat Twam Asi*, *Tri Hita Karana*, and *Tri Parartha* values. Axiologically, participants established entrepreneurial goals in accordance with the values of *Tri Purusa Artha* (*Dharma*, *Artha*, *Kama*). Epistemologically, participants were trained in professional entrepreneurial skills based on the *EntreComp* framework, integrated with the values of *Sad Kerthi Loka Bali*. These competency elements were visualized in Figure 3.



Figure 3. Values, Competencies, and Core Elements of the *Punia Kerthi* Training Model (Source: Author's Document, 2025)

The Punia Kerthi training model was structured on a strong and contextual philosophical foundation, starting with an ontological review that questioned the fundamental reasons why the training of Bumdes staff with Sad Kerthi perspective was important; the axiological review that questioned the purpose or vision; and the epistemological review questioned how the established vision or goals result in a mission or strategy.

Ontological Dimension: Entrepreneurship in Organic Perspective Bali

The ontology of the present study did not only examine the formal existence of training but also explored the philosophical roots of life that underpinned it. In the Balinese worldview, the universe was understood as an organic, not a mechanical, system. This organic view emphasized that all elements of life were interconnected in a holistic and comprehensive manner, so that destroying nature was essentially self-destructive. This premise underpinned the rationale that local wisdom-based values and character training were essential for developing sustainable and integrated human resources (Bumdes staff in Bali).

The local Balinese context contributed significantly to shape this model's framework through the integration of the local wisdom values of *Tat Twam Asi*, *Tri Hita Karana*, and *Tri Parartha*. *Tat Twam Asi*, referred to "I am you", a universal value about empathy, unity, and spiritual awareness that all living things were part of a unified whole. These values encouraged training participants to build businesses with the awareness that their business actions impacted the social and ecological environment around them, ultimately impacting themselves or the Bumdes itself.

Meanwhile, *Tri Hita Karana* described the concept of harmony in three dimensions of life: the relationship between humans and God (*Parahyangan*), with fellow humans (*Pawongan*), and with the natural environment (*Palemahan*). These three pillars formed a foundation of values that did not only support the moral aspects of the training but also strengthened the social and ecological dimensions, which were increasingly relevant in the context of current global challenges, such as the environmental crisis, social inequality, and the disruption of collective values.

A strong understanding of the values of *Tri Hita Karana* and *Tat Twam Asi* fostered attitudes and behaviors characterized by compassion, generosity, and devotion. These three characteristics were embodied in the *Tri Parartha* value (which included the values of *Asih*/compassion, *Punia*/generosity, and *Bhakti*/devotion). These concepts of value guided the entrepreneurial behavior of Bumdes staff. *Asih* instilled concern for others and encouraged entrepreneurs to understand the needs of the community, rather than simply pursuing personal gain. *Punia* encouraged generous entrepreneurial practices with sincerity. Giving could take the form of providing services and added value to customers. Giving, in this sense, had a positive impact on increasing customer satisfaction boosting Bumdes productivity.

Giving could also be interpreted as returning a portion of business proceeds to the community or environment as a form of social responsibility. *Bhakti*, on the other hand, strengthened spiritual motivation in business, viewing entrepreneurial activity as a form of devotion to God, society, and the universe.

The three values of *Tri Parartha* did not only refine an individual's character in business but also strengthened an inclusive, just, and sustainable entrepreneurial ethos. Thus, the integration of the values of *Tat Twam Asi* and *Tri Hita Karana* in character formation based on *Tri Parartha* formed a strong conceptual foundation for the development of an entrepreneurship training model based on *Sad Kerthi Loka Bali*, which was relevant to local Balinese characteristics while simultaneously addressing global challenges ethically and harmoniously.

Axiological Dimension: Vision of Entrepreneurship Based on *Tri Parartha*

From this ontological basis, an axiological approach was then explained, namely regarding what was to be achieved or the goals/visions of Bumdes businesses. The main emphasis of the axiology of the *Sad Kerthi Loka Bali* training model strengthened goals/visions that did not only pursue material aspects such as wealth/profit (*artha*) and desires and ambitions (*kama*), but rather prioritize balance with the values of goodness and truth (*dharma*) known as the teachings of *Tri Purusa Artha*. This understanding enabled participants to formulate or improve the vision/goals of Bumdes businesses. For example, Bumdes Wanagiri Buleleng Regency clearly explained that so far, the village had always demanded a certain amount of profit as funds for village development, especially physical development. Therefore, it was acknowledged that so far in formulating visions,

most Bumdes were oriented towards profit. With this training, changes were made to the visions of Bumdes businesses, such as forest management efforts strengthened the vision of preserving forests beyond economic gain alone. Meanwhile, Menanga village in its vision very clearly stated explicitly that it was based on *Tri Hita Karana*. It showed that the Bumdes businesses of Menanga village have values that uphold the principles of harmony between nature, humans and God. Its mission statement addressed several key areas, including managing natural resource potential, agriculture, and livestock; increasing the income of the poor; improving clean water services; establishing capital partnerships with MSMEs; creating new job opportunities; increasing access to affordable capital for the community and customers; and increasing village revenue. This mission illustrated the balance among *dharma*, *artha*, and *kama*, with increasing income even being listed last. This clearly demonstrated a strong adherence to the values and characteristics of compassion, generosity, and devotion.

The Menanga village presentation demonstrated that its values and vision reflected *Tri Hita Karana*, *Tat Twam Asi*, and *Tri Purusa Artha*. However, Menanga village had plans to further prioritize environmental empowerment, having previously focused solely on water management. They even hold a *Mapag Toya* ceremony to purify the water (*Danu Kerthi*). Furthermore, Menanga Village aimed to strengthen the balance of *dharma*, *artha*, and *kama*. Some stakeholders considered BUMDes staff to be a cost burden, leading to programs to improve staff competency (*jana kerthi*) as a cost.

In this context, the success of the training was measured not only by the increase in participants' knowledge and skills, but also by a more comprehensive paradigm shift and life orientation, namely a life that does not solely pursue material things and/or desires, but balanced them with the principles of truth/goodness (*dharma*).

Epistemological Dimension: Integration of *Sad Kerthi Loka Bali* and EntreComp

After understanding the correct vision/goal, the next step was how to develop a mission or strategy. This training model employed an epistemological approach formulated based on the *Sad Kerthi* concept combined with EntreComp's entrepreneurial competencies. Participants were facilitated to generate creative ideas in developing business strategies, both related to business ideas and opportunities, optimizing village potential and other resources, and ways to realize these ideas.

For example, Bumdes in Taro village with its potential bamboo forest (*wana kerthi*) was transformed into a bamboo forest tourism idea. Furthermore, its potential for a river and sacred spring (*danu kerthi*) was transformed into a *melukat* tourism idea (*atma kerthi*: physical and spiritual cleansing). These two strategies provided a new idea for a coffee shop as a place for tourists to rest before or after *melukat* while enjoying the bamboo forest. Taro Village also had the potential to have a majority of the community skilled in making offerings (*banten*)/Hindu ceremonial items (*jana kerthi*). The Bumde management had come up with the idea of coordinating *banten* (offerings) makers to serve ceremonial needs in 14 surrounding traditional villages. Furthermore, Taro Village boasts a traditional Legong dance (*jagat kerthi*), unique to Taro Village, which differed from other Legong dances in Bali. The Bumdes management had come up with the idea of holding a cultural dance performance event specifically showcasing the Taro Village Legong dance, a new idea that was proposed to the village government.

The Bumdes in Kesiman village had the potential for remaining rice fields in the middle of the city (*wana kerthi*), resulting in a Balinese irrigation educational tourism strategy for schoolchildren to learn about agricultural processes and tools. This agricultural area was also utilized as a jogging track, in collaboration with the landowner, under a profit-sharing concept. This idea demonstrates a strategy grounded in the *Sad Kerthi Loka Bali*. However, discussions during this training revealed shortcomings in the application of *Sad Kerthi* insights to parking management, where parking attendants were primarily focused on collecting parking fees but pay little attention to customer service. Therefore, training was planned on providing professional service to parking attendants, fostering the characteristics of compassion, compassionate service, and devotion.

The training, largely conducted through discussions, unwittingly transformed into an exchange of ideas, ideas, and even strategies. The appropriate Bumdes values, vision/goals, and mission/strategies provided an example or encouragement for other Bumdes staff in order to compile, improve, or develop their values, vision/goals, and mission/strategies so that managers were able to run Bumdes with a *Sad Kerthi Loka Bali* perspective.

DISCUSSIONS

From the discussion with the participants, the *Punia Kerthi* entrepreneurship training model is a holistic approach based on an organic Eastern worldview, where life is seen as a unity between humans, nature, and the spiritual dimension. In this model, entrepreneurship was not only interpreted as an effort to obtain material benefits alone, but as a process of creating deep and sustainable values, in line with the principles of harmony, compassion, and devotion. Therefore, this entrepreneurship training is based on the local values of *Sad Kerthi Loka Bali*. This finding strengthens the findings on spiritual capital based on local values, which show that spiritual aspects and cultural values are not only additional elements, but can be strategic elements in the development of community-based entrepreneurship (Tjahjadi et al., 2022, 2024). In line with that, the integration of Tri Hita Karana values in village community entrepreneurship training has been proven to increase motivation, ecological awareness, and social concern of entrepreneurs (Asrida & Saputra, 2024). In addition, the integration of local values and sustainability in entrepreneurship education can shape the mindset and behavior of entrepreneurs who are resilient, adaptive, and socially and ecologically responsible (Abbas & Bulut, 2024).

The main characteristic of this model lies in the formation of an entrepreneurial mindset, along with the formation of a vision and mission based on the *Sad Kerthi Loka Bali* philosophy of life. Training participants are guided to understand the profound meaning of entrepreneurship by developing behaviors characterized by compassion, generosity, and devotion as sacred devotion to God, fellow human beings, and the universe. Participants are also guided to understand the purpose of entrepreneurship, and indeed life, not solely in terms of material things (*artha*) and the fulfillment of desires (*kama*), but also in balance with goodness and life's obligations (*dharma*) based on the *Tri Purusa Artha*.

The *Sad Kerthi Loka Bali*, which consists of six elements: *Atma Kerthi* (spiritual), *Danu Kerthi* (water source), *Wana Kerthi* (forest), *Segara Kerthi* (sea), *Jana Kerthi* (human), and *Jagat Kerthi* (society), serves as a foundation of values that unite ecological, social, and spiritual aspects in developing missions/strategies and even business ideas, ensuring that the Bumdes they manage can balance harmony, prosperity, and sustainability. This is in line with the triple bottom line concept which emphasizes the balance between economic, social and environmental goals in entrepreneurship (Fay & Flöther, 2025), as well as the Theory of Planned Behavior which shows that environmental awareness, positive attitudes towards ethics and social norms influence the intention to become a sustainable entrepreneur (Islam & Mehdi, 2024).

Implications and Advantages of the Model

In practice, this training model does not only develop participants' technical and managerial skills but also builds entrepreneurial character and ethics. Participants are encouraged to set business goals that are not only economic but also provide social and environmental benefits. Thus, entrepreneurial success is measured not only by financial gains but also by its contribution to environmental conservation, community well-being, and spiritual harmony. This supports findings by (Maftuha et al., 2025) that developing ecotourism-based social enterprises does not only improve the local economy but also maintains natural wisdom and sustainability. Similar findings are also found in training and mentoring communities managing social forests through tourism and conservation-based organic production activities (Jumiyati & Frimawaty, 2024; Zainol & Yasin, 2023). Several studies have shown that community empowerment in business activities such as waste management, agroforestry, and MSME-based green industries can improve the community's quality of life while building environmental awareness (Hendrati & Fitrianto, 2020; Purnomo & Purwandari, 2025). The concept of harmony between humans, nature and transcendental values becomes an ethical framework that shapes attitudes and business goals that are not only for individual interests, but also as a form of social and environmental service (Comin et al., 2020; Islam & Mehdi, 2024).

The learning process in this model is contextual, transformative, and values-based. Training is conducted through real-world experiences, local case studies representing entrepreneurial practices based on compassion (*asih*), generosity (*punia*), and devotion (*bhakti*), and spiritual reflection that links business practices with religious values and local wisdom. This strategy has been proven to improve participants' critical thinking skills and adaptability

in navigating the dynamics of entrepreneurship at the village level (Rinesti et al., 2023).

By locating entrepreneurship training within a framework of local cultural and spiritual values, this model aimed to produce entrepreneurs who are not only economically resilient but also possess moral integrity, social awareness, and a strong ecological awareness. An ethical business model does not only strengthen a business's reputation and sustainability but also increases stakeholder trust and creates social stability (Comin et al., 2020; Islam & Mehdi, 2024). The resulting entrepreneurs are expected to be able to build sustainable, ethical, and broadly beneficial businesses and become agents of change that strengthen a harmonious and responsible business ecosystem within Balinese society and globally.

This training model significantly contributes to improve three key aspects of the entrepreneurial competency of Bumdes staff: mindset change, balanced goal setting, and strategy development based on ecological and spiritual awareness. First, the training encourages a change in participants' mindsets, allowing them to understand business as more than just a means of profit-making, but also as a form of devotion (*bhakti*), compassion (*asih*), and generosity (*punia*). This strengthens the ethical foundation for Bumdes management. This is in line with the previous study (Laksana et al., 2023) that the implementation of the values of *asih*, *punia*, and *bhakti* in the lives of Balinese Hindus has been shown to shift individuals' orientation from personal interests to social and spiritual contributions. Furthermore, integrating the spiritual dimension into entrepreneurship training programs can improve mental readiness, altruistic motivation, and strengthen participants' entrepreneurial intentions (Hadi et al., 2022). In this regard, the *Punia Kerthi* training model integrates reflective and spiritual sessions as part of a transformative learning method, allowing participants to deeply reflect on the relationship between business and devotional values.

Second, this training instills awareness of the importance of setting business goals that balance economic aspects, desires, and obligations/truth. This balance of goals can produce strategies that are imbued with the insights of *Sad Kerthi Loka Bali: Atma, Danu, Wana, Segara, Jana, and Jagat Kerthi*. As explained by (Karyada et al., 2022; Sudrajat, 2021), the *Sad Kerthi Loka Bali* paradigm in the Balinese Kerthi Economy emphasizes a caring economy and green economy approach, which is in line with the principles of sustainability and Balinese local wisdom. With this approach, participants do not only gain technical competence, but are also empowered to manage businesses sustainably and based on Balinese local wisdom. In addition, local wisdom has a significant role in fostering a culture of innovation in organizations, including cooperatives and village business units (Sitiari et al., 2022), so that the businesses developed are not only responsive to the market, but also to the values of the community and the surrounding environment.

Third, this training has proven successful in fostering ecological and spiritual awareness in village entrepreneurship practices. Participants' reflections reveal a new understanding of the importance of harmony with nature and society in every business decision. This aligns with findings of the previous study (Asrida & Saputra, 2024) that the integration of cultural values such as *Tri Hita Karana* significantly improves local well-being through a participatory approach that balances economic, social, and environmental aspects. Furthermore, another study confirmed that traditional practices such as harvesting approval rituals and coconut tree planting at birth play a crucial role in maintaining forest ecosystems (Primayanti & Puspita, 2022). This balance serves as the foundation for creating sustainable, inclusive, and highly competitive village businesses. Furthermore, a community empowerment program in Kesiut Village demonstrated that training based on appropriate technology and local values not only increases economic productivity (for example, in organic fertilizer and fish farming businesses), but also fosters a sustainable and environmentally conscious mindset (Merdana & Watiniasih, 2019).

Thus, the results of the model trial indicate that *Punia Kerthi* training can improve the entrepreneurial competency of Bumdes staff comprehensively, including cognitive, affective, and psychomotor aspects. This model does not only improve technical skills and understanding but also shapes entrepreneurial character that is ethical, visionary, and rooted in local culture. Therefore, this model is worthy of recommendation as a contextual and transformative village entrepreneurship training approach in Bali and other regions with similar local wisdom. This training model is not only relevant for Bumdes staff but is also highly suitable for application

in the context of managing traditional business village (BUPDA). This is because both Bumdes and BUPDA play a strategic role in managing village economic potential, but have different legal and social bases: Bumdes relies on the formal structure of the village government, while BUPDA is based on customary authority and local cultural values. The values of *Sad Kerthi Loka Bali* such as *Atma Kerthi* (self-purification), *Jana Kerthi* (human empowerment), *Wana Kerthi* (forest preservation), and *Jagat Kerthi* (glorification of the universe) are philosophically and practically very much in line with the foundation of the existence of BUPDA which is based on local wisdom, social harmony, and protection of the Balinese traditional environment.

Punia Kerthi's training model is conceptually and practically very much in line with the adult education approach (andragogy). Andragogy emphasizes learning based on participants' experiences, relevance to professional contexts, intrinsic motivation, and a problem-solution-oriented approach (Lippitt et al., 1984). In addition, transformative learning theory emphasizes the importance of critical reflection on cultural and personal experiences so that participants are able to develop new perspectives and meaningful actions (Mezirow, 2000). By integrating local values, participant experiences, and participatory and reflective learning methods, this model creates meaningful learning and has a direct impact on developing the capacity of Bumdes staff. A previous study on andragogy-based social-entrepreneurship training in Bali shows that methods that combine direct experience, participatory discussions, and critical reflection can increase participants' adaptability and socio-ecological awareness (Kusumawijaya et al., 2025). Adults learn with intrinsic motivation, based on their life experiences, and require learning that is directly beneficial to their lives or professions.

The *Punia Kerthi* model adopts these principles by designing learning that is: (1) based on the experiences of participants, namely Bumdes staff, involved in real case studies and reflections on local entrepreneurial practices that are relevant to their social and cultural conditions, (2) relevant to professional needs, where training materials are structured based on practical needs in managing village businesses, as well as teaching management based on sustainability and ethics, (3) encouraging meaningful and reflective learning, where participants do not only receive knowledge, but are also invited to reflect on the spiritual and social values contained in business activities, and (4) fostering intrinsic motivation, namely by linking training to cultural values that participants believe in and respect (*Tat Twam Asi*, *Tri Hita Karana*, *Tri Parartha*, *Tri Purusa Artha*, and *Sad Kerthi Loka Bali*), this training strengthens learning motivation because participants feel an emotional and spiritual attachment to the material being studied.

Furthermore, this model also pays attention to psychological and social factors that influence adult learning, as stated by (Tennant, 2019) such as: (1) hope for a better future through sustainable village business management, (2) social support and a cohesive cultural environment, (3) the role of family and community in encouraging behavioural changes in training participants, (4) the age and physical capacity of participants which are answered with applicable, flexible, and collaborative learning methods. In terms of learning approaches, the *Punia Kerthi* model also uses andragogical strategies through: (1) a direct practice in developing village business plans, (2) group discussions and social networks to strengthen collaboration between participants, (3) spiritual and cultural reflection, as a process of internalizing values that strengthens the meaning of training in depth.

The *Punia Kerthi* entrepreneurship training model has proven to be superior not only in terms of local and spiritual values, but also successfully accommodates important principles of cognitive load theory. The theory developed by (Sweller, 2020) emphasizes that an effective learning process must consider the limitations of human working memory capacity. Therefore, instructional design must be strategically designed so as not to overload participants' cognition. In the context of *Punia Kerthi* training, the instructional approach is designed adaptively through simplification of complex material, insightful games to sharpen understanding, the use of real examples and explicit instruction strategies that guide participants in understanding entrepreneurial concepts based on local values (Sweller, 2011, 2020). Furthermore, this training strengthens the reflective aspect by integrating discussions on spiritual and social values into the learning process, which does not only enrich participants' understanding affectively, but also increases the germane cognitive load, namely the cognitive allocation that supports the formation of meaningful mental schemas. On the other hand, by providing space for direct practices, such as developing village business plans and problem-solving simulation. This training also reduces extraneous load, namely cognitive load that is irrelevant to learning objectives (Sweller, 2011, 2020).

The results of the implementation of the *Punia Kerthi* training model showed a significant increase in the understanding and competence of participants, especially Bumdes staff in Bali. In a limited trial involving 16 participants from eight districts/cities, it was recorded that the average post-test was 84.375 (in the competent category) with a normalized gain score of 0.669 (in the medium category). Interestingly, six of the total participants showed an increase in the high category. These findings indicate that the training materials are not only substantively effective, but also that the instructional approach used has been designed appropriately and efficiently according to the characteristics of adult learners and their cognitive capacity. In practice, the *Punia Kerthi* training was designed with participants' working memory capacity in mind, including by compiling materials based on real cases, using local visualizations and illustrations, and providing opportunities for direct practice in preparing village business plans. This minimizes extraneous load (irrelevant load), strengthens germane load (load that supports schema formation), and optimizes intrinsic load according to the complexity of the material (Sweller, 2011, 2020). Thus, the training results not only show increased competence, but also reflect the successful application of modern learning theories in the context of local wisdom-based training.

In implementing this training, various learning strategies were effectively applied to balance the three types of cognitive load proposed in Cognitive Load theory (Sweller, 2011, 2020). First, intrinsic load was reduced through contextualization of the material by linking technical entrepreneurial concepts to local values of *Sad Kerthi Loka Bali*, which were already familiar to participants. In this way, participants developed prior knowledge that facilitated initial understanding of materials such as business management, financial management, and social entrepreneurship. This approach reduced the perception of complexity because new knowledge was embedded within a familiar cultural framework.

Second, minimizing extraneous load was achieved through an approach of explicit instruction and structured reflection. The instructor delivered the material through short lectures, practical demonstrations, and case studies relevant to the village context. By avoiding unnecessary information and simplifying instructions into concrete steps, the training protected participants from extraneous cognitive noise. This approach is consistent with recommendations (Kirschner et al., 2006), which emphasizes that learning for beginners must be explicitly directed to be effective and avoid confusion.

Third, the optimization of germane load is achieved by providing sufficient space for participants to practice and internalize values. Activities such as developing village business plans, local problem-solving simulations, group discussions based on the values of *Sad Kerthi Loka Bali*, and reflective sessions linking economic activities to the values of *asih* (compassion), *punia* (generosity), and *bhakti* (devotion) encourage the formation of deep and meaningful conceptual schemes. This strategy does not only strengthen the technical understanding but also fosters participants' social and spiritual awareness (a hallmark of transformative learning in adult education).

Fourth, the material is structured in a gradual and tiered manner through a modular structure, starting with a basic introduction to *Sad Kerthi Loka Bali*, then moving on to technical aspects of entrepreneurship, and finally integrating the two. This approach reflects the principle of scaffolding in learning, allowing participants to access material according to their cognitive capacity progressively (Bruner, 1978). Thus, this model comprehensively aligns local content with modern, effective instructional strategies for adult learners.

RESEARCH IMPLICATIONS

The implications of the *Punia Kerthi Training Model* can be viewed from various perspectives, including theoretical, practical, and policy perspectives. This research contributes to the development of local wisdom-based entrepreneurship theory, specifically by integrating the values of *Tat Twam Asi*, *Tri Hita Karana*, *Tri Parartha*, *Tri Purusa Artha*, and *Sad Kerthi Loka Bali* into an entrepreneurship training approach. Validation results indicate that this model has a highly accurate theoretical foundation, making it a reference for developing similar training models in other cultural contexts. The concept of *Sad Kerthi Loka Bali* also demonstrates that local wisdom can serve as a relevant framework to support sustainability in business management, while enriching the discourse on value-based business management.

From a practical perspective, this training model has proven effective in improving the competency of Bumdes

staff, including technical skills such as business management, strategic vision, and resource management, as well as non-technical skills such as collaboration, communication, and environmentally conscious behavior. Participants' increased understanding of sustainability-based business management demonstrates that this training not only supports individual capacity building but also encourages village business management that is more oriented towards social and environmental harmony. By instilling the values of *Sad Kerthi Loka Bali*, this training encourages Bumdes staff to adopt more environmentally conscious mindsets and actions, such as waste management and the use of energy-efficient products. This has the potential to create a long-term impact on village community awareness of maintaining a balance between economic, social, and environmental aspects. Furthermore, improving participants' interpersonal skills, such as leadership and conflict management, will strengthen social relationships within the community and support the smooth management of Bumdes.

This study has important implications for local government policy on managing village-owned enterprises (Bumdes). The results can serve as the basis for formulating more structured and sustainable local wisdom-based entrepreneurship training policies. The government can utilize this model as a guideline to improve the capacity of Bumdes staff through more comprehensive training programs, incorporating elements of local values and culture, and encouraging sustainable business management. Furthermore, this training can serve as a national model for integrating local wisdom into village economic development.

The implementation of this model has implications for accelerating sustainable village development. With the new skills gained from the training, Bumdes staff can identify business opportunities relevant to village potential, strengthen organizational structures, and increase village income. This success can inspire other villages to adopt a similar approach, creating a more independent, creative, and sustainable village economic ecosystem. Overall, this research not only contributes to the development of knowledge but also offers practical and strategic solutions for village-based business management. These implications emphasize the importance of synergy between local culture and entrepreneurial innovation to promote holistic and sustainable development.

CONCLUSION

The *Punia Kerthi* entrepreneurship training model, developed within the framework of *Sad Kerthi Loka Bali*, has been conceptually proven to be able to shape the mindset and character of village entrepreneurs who are ethical, spiritual, and sustainable. The holistic and contextual approach offered by this model integrates the teachings of *Tat Twam Asi*, *Tri Hita Karana*, *Tri Parartha*, *Tri Purusa Artha*, and *Sad Kerthi Loka Bali* into the training process, resulting in a transformation in the thinking and actions of Bumdes staff. Training participants are able to develop a vision, mission, and entrepreneurial strategy that is not only oriented towards profit, but also considers aspects of truth, social responsibility, and environmental sustainability. The characters of *asih*, *punia*, and *bhakti* become a moral identity embedded in village entrepreneurial practices, which in turn has an impact on increased creativity, leadership, and ecological awareness. To increase the impact of this model, suggestions for future research include several strategic steps. First, strengthening the implementation of training through post-training mentoring is crucial so that participants are able to apply the material in a real-world local context. Socialization to villages outside of Bali Province also needs to be intensified to test the flexibility and adaptability of this model. Second, training effectiveness can be enhanced by tailoring the materials to the specific needs of each village and integrating hands-on practice, business simulations, and case studies. Third, utilizing digital platforms enable broader distribution of training materials, create space for ongoing discussions, and facilitate monitoring of participant progress. Fourth, the training process will be more contextual if village communities are involved from the outset, so that the values promoted are not only accepted but also internalized. Fifth, further studies are needed to compare the effectiveness of this model with other training models, as well as to measure the long-term impact on the sustainability of village businesses and the strengthening of the character of entrepreneurs. Finally, this model is highly relevant for application in the traditional village business (BUPDA), as the values instilled align with the traditional institution's vision of maintaining Balinese harmony and spirituality through businesses that are not only productive but also possess high cultural and ecological value.

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