

Community and Stakeholder Participation in the Implementation of Corporate Social Responsibility Programs, Its Impact on Rural Communities

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Abstract

Empowerment is a pathway to participation, and participation determines the impact of community development programs socially and economically. In general, this study aims to identify the relationship between the level of community and stakeholder participation in implementing the Geothermal Agency's Corporate Social Responsibility Program through Microfinance Institutions and its impact on the socioeconomic conditions of the community. XYZ District-Based Microfinance Program partnering with LKMS. The subjects of this study were the people of XY Village, including local government and local communities, and company staff. The method applied in this research consists of quantitative and qualitative studies. With nine informants, fifty-five respondents were taken as samples representing the XY Village community. The results of this study indicate that each stakeholder has a different type and level of participation. The higher the story of the involvement of microfinance board members in each stage of program implementation, the higher the social and economic impact will be.

Keywords: Corporate Social Responsibility, Level of Community Participation, Socio-Economic.

1. Introduction

The company must maintain its sustainability and balance [1]. The existence of a company in the community influences social, economic, and cultural life. In its journey, the activities carried out by the company are sustainable, both directly and indirectly, with the community and the environment [2]. Therefore, the company is in touch directly and indirectly with the community and the environment. Therefore, companies must remember and consider socio-cultural aspects [3]. One of them is fostering good reciprocal relations with other stakeholders, both government and private, and from various elements of society [4]. This good relationship can be formed from the interaction between stakeholders about implementing CSR (Corporate Social Responsibility) programs.

A company cannot be separated from the community, and this is because the community is its external environment [5]. Viewed from the economic side, the company intends to profit [6]. Meanwhile, from a social point of view, a company must be able to make a good contribution directly to society, namely by improving the quality of life of the community and its environment. This is in line with the concept expressed by John Elkington in his book "Cannibals with Forks, The Tripple Bottom Line of Twentieth Century Business" in 1998, where in the book, it is said that if a company implements a concept of sustainable development, it must be able to pay attention to the idea of "Triple P," namely profit, planet, and people and participate in preserving an environment.

The Geothermal Company in Mount Salak is a company that utilizes the most considerable geothermal energy in the world [7]. Geothermal is a natural resource that can be renewed and used to generate electricity through the utilization of natural steam from the earth [8]. As proof of professionalism and corporate social responsibility, the CSR (Corporate Social Responsibility) program covers three critical areas: significant needs, education, and training. Its implementation focuses on creating economic growth through capacity building and community investment [9]. It is essential to see the extent of performance to see several implementations of community development programs about the participation of all stakeholders, ultimately impacting rural communities [10]. The success of a CSR program is related to how the CSR program can have a significant influence and finally bring a positive impact on the lives of communities around the company area [11]. Therefore, the thing that will be the question in the outline from the explanation above is how is the level of community and stakeholder participation in implementing CSR programs with the socioeconomic impacts of rural communities.

Empowerment or community development is one of the activities a company can carry out to increase the standard of living and welfare of the community [12]. A company can improve people's interests through growth and empowerment because community development focuses on community participation [13]. Therefore, through this CSR program, a company can develop and empower the community to create a prosperous life and self-sufficiency within community groups [14]. Community empowerment is an effort to authorize or strengthen community groups [15]. Community empowerment can also be interpreted as an individual ability that aligns with the community concerned so that it aims to find new solutions in society.



2. Literature Review

2.1. Community Empowerment in the CRR Concept

The concept of CSR (*Corporate Social Responsibility*) has several definitions put forward by many experts. The purpose of CSR comes from the ideas and thoughts coined by John Elkington (1997) in his book entitled "*Cannibals with Forks, The Triple Bottom Line of Twentieth Century Business*," where in the book Elkington put forward the concept of "3P" (*profit, people, and planet*) which explains that in carrying out company operations, in addition to pursuing economic profit/profit, a corporation must be able to make a positive contribution to people (society) and play an active role in preserving the environment (planet) (Wibisono, 2007). According to ISO 26000 in Suharto (2008), CSR is the responsibility of an organization towards the impact of its decisions and activities on society and the environment, which is manifested in the form of transparent and ethical behavior that is in line with sustainable development and community welfare, taking into account the expectations of stakeholders, in line with the law established and international norms of behavior, as well as integrated with the organization as a whole. CSR is a concept that requires companies not only to pay attention to the condition of the company's profits but also to pay attention to the welfare of the surrounding community. CSR is based on the triple bottom lines, which consist of profit, people, and planet.

There are four schemes commonly used to carry out corporate social responsibility, viz

- a. Contribution to community development programs
- b. Funding of activities by the legal framework
- c. Community participation in business, and
- d. Response to interest group pressure 1.

That companies that have been successful in implementing CSR use the stages of CSR implementation as follows:

Planning Stage: This stage consists of three main steps, is

- a. Awareness Building
- b. CSR Assessment
- c. CSR Manual Building.

Awareness Building is the first step to building company awareness regarding the importance of CSR and management commitment; this effort can be made through seminars, workshops, and others. *CSR Assessment* is an effort to map the company's condition and identify aspects that need priority attention and appropriate steps to build a corporate structure conducive to the effective implementation of CSR. At the building stage, *CSR is manual*, carried out through *benchmarking*, digging from references, or asking for help from independent experts outside the company. This guideline is expected to provide clarity and uniformity of mindset and action patterns of all elements of the company to achieve an integrated, effective and efficient program implementation.

Implementation Stage: At this stage, several points must be considered, such as organizing resources, preparing to place people according to the type of task, direction, supervision, implementation, work according to plan, and assessment to determine the level of achievement of goals.

Monitoring and Evaluation Phase: This stage needs to be carried out consistently from time to time to measure how far the effectiveness of CSR implementation is so that it helps companies to remap conditions and situations as well as company achievements in CSR implementation so that they can make efforts per Reporting Stage: Reporting needs to be done to build an information system, both for the decision-making process and to disclose material and relevant information regarding the company for necessary improvements based on recommendations.

Reporting Stage: Reporting needs to be done to build an information system for decision-making and to disclose material and relevant information about the company.

The idea of managing relationships with stakeholders is fundamental for most companies. Even this idea represents how a company is built and operated and becomes essential in strategic management (*Sukada, 2007*). *Stakeholders*, which is plurally translated as stakeholders, are parties or groups who have an interest, either directly or indirectly, in the existence or activities of the company. Therefore, these groups influence or are influenced by the company (Saidi, 2004). According to Sukada (2007), stakeholder involvement is determined based on the degree of relevance to the existence and program to be implemented. Sukada (2007) added that the more relevant stakeholders are with corporate community development activities and activities, the more involved they become.

Community Development is one of the implementations which are only in the form of *charity, philanthropy*, or other dimensions of CSR because, in the implementation of community development, there are principles of collaboration of shared interests between companies and communities, participation, productivity, sustainability, and being able to increase feelings solidarity. Social responsibility can be realized through the development of corporate generosity potential. Corporate generosity is social generosity within the framework of the company's awareness and commitment to its social responsibility. There are several reasons why companies have philanthropic or social philanthropy programs, namely first, to practice the concept of "*good corporate citizenship*"; second, to improve the quality of the environment; and third, to improve the quality of educated human resources.

2.2. Participation Concept

Empowerment is a path to participation. Before reaching that stage, of course, community empowerment efforts are needed. Empowerment has two main elements: independence and participation. Participation as an active process; the initiative is taken by community members themselves, guided by their way of thinking, by using means and processes (institutions and mechanisms) where they can assert control effectively. The starting point of participation is to decide, act, then reflect on that action as a conscious subject. Nasdian (2006) also explained that participation in community development must create maximum participation with the aim that all people in the community can be actively involved in community processes and activities. Cohen and Uphoff (1979) divide participation into several stages, namely as follows:

1. The decision-making stage is manifested by community participation in meetings. The decision-making stage referred to here is the planning and implementation of a program.
2. The implementation stage is the most important in development because the essence of the story is its implementation. The concrete form of participation at this stage is classified into three: involvement in contributions of thought, material contributions, and forms of action as project members.

3. The evaluation stage is considered necessary because community participation at this stage is the feedback that can provide input for the improvement of subsequent project implementation.
4. The stage of enjoying the results can be used as an indicator of the success of community participation in the project planning and implementation stages. In addition, by looking at the community's position as the subject of development, the greater the project benefits are felt, which means that the project has succeeded in hitting the target.

All of the levels of participation above constitute an integrative unit of rural development activities, although a consistent cycle of participatory activities may be considered unusual. Community participation illustrates how a fair *redistribution of power occurs* between activity providers and activity recipient groups. Community participation is stratified, according to the gradation, the degree of authority and responsibility that can be seen in the decision-making process.

The village is an area in Indonesia that has abundant natural resources; it is one of the reasons a company establishes its business in a rural area. In addition to its great natural resources, rural areas also have human resources, which have the potential to develop the village through community empowerment. Based on data from the Ministry of Home Affairs, the number of towns throughout Indonesia is 65,189 villages. However, in Indonesia, there are still many issues of underdevelopment experienced by rural communities in terms of education, health, and the economy, which affect the level of welfare of these rural communities. For this reason, the implementation of CSR programs organized by companies established in rural areas is expected to have the awareness to provide social responsibility to the surrounding community through ability and empowerment.

Community empowerment is carried out to alleviate poverty in society which refers to people's freedom to choose and act. Community empowerment is also carried out to increase the ability of the community to fulfill fundamental rights in general, to reach health and education services to the community, to provide facilities and infrastructure that support community productivity, and to increase community participation in making public decisions.

The community is the leading actor in implementing development and is the main focus of village empowerment. In implementing CSR programs, especially in community empowerment efforts, companies need to involve and increase community participation in the CSR program. That's because the community requires all forms of social responsibility the company gives to develop its potential. Brian D. Christens (2012) argued that local communities are people with the ability and strength to be empowered. From this statement, it can be concluded that the current village development makes community empowerment a focus in this development so that the resources and capabilities of the community can be empowered.

In the implementation of community empowerment, there are four principles for the success of an empowerment program, namely the principles of equality, participation, self-sufficiency or independence, and sustainability (Najati et al., 2005: 54). Community participation is an essential principle for organizers of empowerment programs in CSR so that the implementation of the program can be right on target according to what the community needs. However, the phenomenon is that business actors still view society as an object, not a subject, in implementing CSR programs. Hence, many implementations of corporate social responsibility or CSR programs still need to be put on target and seem to function only to provide a good image for the company's name without regard to the needs of affected communities to obtain a prosperous life.

Program planning is carried out participatory by involving related parties, especially representatives of community leaders, as program targets. To get specific input, the company conducted Focus Group Discussions (FGD) in several villages, which are operational areas. For the community, this participatory planning is something new, so this way of planning is an innovation for the community. The invention referred to here is the form of power given, where people are usually passive. Still, in this program, they actively plan and implement the program.

2.3. Impact of CSR Programs

Min-Dong Paul Lee (2008) conducted a unique study on how the traces and developments regarding the theory of corporate social responsibility are reviewed in detail in his journal entitled *"A Review of the Theories of Corporate Social Responsibility: Its Evolutionary Path and the Road Ahead."* This study aims to show the conceptual evolutionary trail of corporate social responsibility (CSR) theories and reflect on their development implications. Retrospectives show that the development trend has been a progressive rationalization of the concept, focusing on stronger ties to the company's financial goals. Many efforts have been made by various parties in the world to stimulate the active involvement of the community how in building good partnerships to manage relations with the community and the environment. *Journal of Reporting on Community Impacts: A survey conducted by the Global Reporting Initiative* added that improvements occurred when these efforts were strategically arranged and linked to international frameworks such as the Millennium Development Goals (MDGs) (Dragicevic, 2008). At the same time, the growth or increase reinforces understanding of the impact of business activities on society and the environment. There is increasing interest from stakeholders to companies to clarify and demonstrate their impact. However, based on a study on the impact of CSR on large companies, to see the widespread impact, the business case, business attitude, awareness, and practice should also know the habits of stakeholders, but efforts to clarify the impact on human relations. Therefore, there is currently an increasing trend towards greater importance for a company and its stakeholders to measure results and understand how CSR can provide value both for the company and the community. Jalal (2010) argues that the business practices undertaken by many companies in Indonesia in dealing with the people who live around them cannot be considered adequate; it seems that this conclusion will be accepted. An important question related to this condition is knowing that a company's community development program has been considered adequate. The answer is actually in the success indicator function. Indicators of success will be critical when a company wants to know the performance of its community development program or to develop a strategic plan that requires a certain level of performance.

It has been explained in the framework of the Strategic Plan document (Renstra) that there are seven strategies in implementation:

- a. Strengthening partnership synergy with related parties
- b. Strengthening the management system through strengthening SOP and its implementation
- c. Improving the quality of human resources through the implementation of competency standards
- d. Comdev implementation is guided by international standards (MDGs, ISO 26000 & GRI)
- e. Community empowerment accompanied by assistance
- f. Develop code publications supported by an integrated documentation system
- g. Developing a conducive com dev organizational structure

The seven strategies are prepared to accommodate sustainable development, including the Millennium Development Goals (MDGs), ISO 26000 & GRI, and others.

2.4. Coprotare Social Responsibility is Important for Companies

Why do companies need to implement social or corporate social responsibility (CSR)? In the operation of its decisions, it is common to encounter obstacles, disturbances, and obstacles to achieving optimal conditions caused by the emergence of conflicts of interest with the environment. These conflicts of interest can be in the form of a situation that is perceived as domination or even 'usurpation' of community access rights to resources in the environment, the socio-economic impact of the company's operations on the environment, the impact of the company's operations on its stakeholders and so on related to the implications of the company's presence in its environment. Companies can produce or operate optimally and sustainably if supported by a conducive atmosphere to carry out sustainable, productive activities. The conducive atmosphere can be in the form of the company's internal factors, but the external aspects are no less important. In this description, more emphasis is on the company's external factors related to a conducive atmosphere.

The implementation of CSR has the potential to be an effort to obtain a *license to operate* from the local community, as well as being part of the company's risk management to reduce or avoid social conflict. In addition, CSR should also have the potential to provide a distinctive, excellent, and ethical corporate image in the eyes of the public; and can create customer loyalty.

In the development of medium and large-class businesses, in particular, there has been a shift from private to public ownership. The implications of a shift in owners' change of private ownership to public ownership. The rights of a shift in ownership of the business world, from private ownership to public ownership, can be observed as follows: Indirectly, this means that companies are no longer just business institutions but have shifted into social institutions, and the business world is not only tasked with making profits but must also act as an institution that has social responsibility.

2.5. Legal Basis for CSR Implementation and Issues Surrounding CSR Implementation

The National Regulation on social and environmental responsibility (TJSL) is contained in Law 40 of 2007, and PP 47 of 2012 is Social and Environmental Responsibility (TJSL). Law Number 40 of 2007 concerning Limited Liability Companies, passed by the DPR on 20 July 2007, marked a new chapter in CSR regulation in this country. Social Responsibility is a further business standard obligation that must be met, like ISO standards (ISO 26000 on Social Responsibility), so that the demands of the business world are becoming increasingly evident on the importance of CSR programs run by companies if the company wants sustainability.

In Article 1, paragraph 3 of Law Number 40 of 2007 concerning Limited Liability Companies, the definition of TJSL is: "the company's commitment to participate in sustainable economic development to improve the quality of life and a beneficial environment, both for the company itself, the local community and the public." in general."

The growing level of public awareness and intelligence related to the presence of companies in their environment has led to a need for companies to develop corporate social responsibility (CSR). This is due to the company's operations in addition to generating benefits in the form of profits for the company concerned; in fact, the company's activities often bring socio-economic impacts and even social costs to the lives of people in a position to be stakeholders.

What is meant by corporate social responsibility (CSR)? CSR manifests the burden of an organization (company) towards the impact of its decisions and activities on society and the environment. This responsibility is displayed in the form of transparent and ethical behavior, which is in line with sustainable development and community welfare, taking into account the expectations of stakeholders, in line with established laws and international norms of behavior, and integrated with the organization as a whole" (ISO 26000: 2010). CSR is a form of business entity's earnest efforts to:

- Minimizing the negative impact and maximizing the positive effects of the company's operations on all stakeholders
- In the economic, social, and environmental realms, to achieve sustainable development goals
- The consequences for the company's operations are in the form of the company's commitment to account for excesses caused by its operational activities, which are viewed from an economic, social, and environmental perspective
- To realize a balance by producing benefits from these impacts for the company and the environment.

The commitment of companies/corporations to be responsible for their impacts can cover the following aspects: economic/market, social and environmental (Tripple Bottomline), namely Profit, People (community), Planet (environment); being a "good neighbor" by providing the benefit (good cause) to the community and as a good corporate citizen contributing to aspects of sustainable development. CSR has the potential to become a manifestation of the overall contribution of the business world to sustainable development, taking into account the economic, social, and environmental impacts of its activities. The laws and regulations related to TJSL are contained in the following legal provisions:

- Law No. 40 of 2007 concerning Limited Liability Companies (PT). PTs that run businesses in the field of and are concerned with natural resources must carry social and environmental responsibilities.
- Law No. 19 of 2003 concerning State Owned Legal Entities (BUMN). Further elaborated by the Regulation of the State Minister for BUMN No. 4 of 2007 - Funding in BUMN is also known as PKBL, which is 2% of net profit.
- UU no. 25 of 2007 concerning Investment: Every investor is obliged to carry out corporate social responsibility. The laws and regulations related to TJSL are contained in the following legal provisions:
- Law No.11 of 2009 concerning Social Welfare: Business entities have a role in implementing social welfare, which is carried out as social and environmental responsibility, and
- PP 47 of 2012 concerning Social and Environmental Responsibility.

In Law Number 40 of 2007 article 74, it is implied that to continue to create harmonious, balanced, and appropriate corporate relations with the environment, values, norms, and culture of the local community. UU. 40 OF 2007 ARTICLE 74 LIMITED COMPANY

- Companies that carry out their business activities in the field of and related to natural resources are required
- Social and environmental responsibility, as referred to in paragraph (1), is an obligation of the company which is budgeted to be calculated as the cost of the company, the implementation of which is carried out with due observance of propriety and obligation.
- Companies that do not carry out the obligations referred to in paragraph (1) are subject to sanctions by the provisions of the laws and regulations.
- Government regulations regulate further provisions regarding social and environmental responsibility.

What is meant by "Companies conducting business activities in the field of natural resources" are Companies whose business activities are managing and utilizing natural resources. "Companies that carry out their business activities related to natural resources" do not control and do not utilize natural resources. Still, their business activities impact the function of natural resource capabilities. It is further stated that companies that ignore these provisions, "subject to sanctions by the provisions of the laws and regulations," are subject to all forms of sanctions regulated in the relevant laws and regulations. The implementation of CSR or TJSL according to the ISO 26000 version includes 7 (seven) aspects.

As a CSR manager, at least you have to understand the dimensions or aspects of CSR, which include;

- a. The CSR dimension concerns business policies and ethics and is related to corporate culture and conflict resolution
- b. Dimensions related to employee/worker welfare, for example, equal opportunities for employee relations, job standards, performance checks, compensation, flexibility in working hours, growth and development of employee quality, employee completion, and employee empowerment
- c. Market Application Dimensions, including consumer protection, customer satisfaction, adequate payment, and timely service
- d. Dimensions of Fiscal Policy Responsibility, supervision, and control
- e. Dimensions of International Relations, such as Human Rights, Employee, and Environmental Standards, Purchasing and Contracting, and international commitments
- f. The Accountability dimension includes social responsibility audits, monitoring, and reporting to stakeholders
- g. The Environmental Dimensions are emission/waste management, environmental regulations, environmental policy statements, environmental management, and communication, as well as social structures and human resources
- h. Community Development Dimension: participatory mapping, involvement in community development, institutional development, spatial economic business development, education, health, socio-cultural facilities, community involvement, community assistance and services, cultural arts, financial and transportation infrastructure, and efforts to strengthen competitiveness Public.

Awareness of the importance of implementing CSR has become a global trend (Gunawan 2008, in Sumardjo 2013), along with the increasing concern for the worldwide community of environmentally friendly products and production with due regard to social norms and the principles of human rights (HAM). European banks apply a lending policy only to companies that implement CSR well. For example, European banks only provide loans to plantation companies in Asia if there is a guarantee from the company, namely when burning forests do not do clearing plantation land.

Another global trend in implementing CSR in the capital market sector is the application of an index that includes the category of shares of companies that have practiced CSR. For example, the New York Stock Exchange has the Dow Jones Sustainability Index (DJSI) for company shares that are categorized as having a corporate sustainability value, with one of the criteria being CSR practices. Likewise, the London Stock Exchange has a Socially Responsible Investment (SRI). Stock exchange authorities, such as the Hangseng Stock Exchange and Singapore Stock Exchange, have followed this initiative in Asia. This is to comply with regulations, laws, and rules that govern it and, at the same time, as a social investment for the company to get a positive image as part of its business strategy.

In Law No. 25 of 2007 concerning Investment related to CSR, this has been implicitly mandated in the following articles:

- a. Article 15 (2) every investor is obliged to carry out corporate responsibilities, (4) respect the cultural traditions of the community around the location of investment business activities
- b. Article 16 (4) states that every investor is responsible for preserving the environment
- c. Article 17 every investor who exploits non-renewable natural resources is obliged to allocate funds in stages for the restoration of locations that meet environmental eligibility standards, the implementation of which is regulated by the provisions of laws and regulations
- d. Article 34 Business entities or individual businesses that fail to fulfill their social responsibility obligations will be subject to administrative sanctions.

Some common mistakes often found in several companies implementing CSR are still widely seen. Some common errors that need to be straightened out or corrected include (Jalal 2008; Sumardjo 2013):

- a. There is confusion between CSR, Community Development (CD), and PKBL for BUMN;
- b. There is a tendency for CSR to be synonymous with charitable activities;
- c. CSR only covers social aspects;
- d. The CSR organization is only an embedded unit, and CSR is only for large companies and separates CSR from the company's core business;
- e. CSR for yourself, not along the supply chain;
- f. After the product reaches the consumer, there is no CSR anymore;
- g. CSR is just an additional cost;
- h. CSR is financed on an after-profit basis;
- i. CSR is an effort to polish the company's image so that the company considers CSR to be entirely voluntary;
- j. Practicing CSR in the external realm

Related to the confusion between CSR and Community Development (CD). CD is a community development activity by a company that is directed at increasing community access to achieve better social, economic, and cultural conditions than in previous states. Community Development is part of Corporate Social Responsibility (CSR). While related to the confusion between CSR and PKBL, especially in financing. CSR is a company's operational costs, regardless of whether the company is profitable or not yet good, while PKBL is financed from a percentage of the company's profits. If the company still needs to develop a PKBL, it could be because it has yet to profit from its operations. This PKBL applies specifically to companies in the BUMN category. So CSR arrangements (PP No 47 of 2012) are intended to:

- a. Increasing the company's awareness of the implementation of social and environmental responsibility in Indonesia;
- b. Fulfill the development of legal needs in society regarding social and environmental responsibility; and
- c. Strengthening social and ecological responsibility arrangements that have been regulated in various laws and regulations by the Company's business activities concerned.

Overall there are at least six differences between CSR and the Community Development Partnership Program (PKBL) that apply to State-Owned Enterprises (BUMN), namely concerning:

- a. Legal Basis,
- b. Goals/goals,
- c. regulation object,
- d. regulatory nature,
- e. Scope of responsibility, and
- f. Budget treatment.

2.6. CSR Organizational Governance

Referring to ISO 26000 (2010), there are at least seven aspects of managing CSR within a company organization that needs attention, namely concerning:

- a. Organizational governance
- b. Regarding human rights, Concern for environmental elements, Fair company operational practices (fairness),
- c. Regarding consumer issues,
- d. Community participation and community development, and
- e. Regarding employment.

A system that is designed and implemented by an organization to achieve its goals (organizational governance) in implementing CSR needs to consider the principles of accountability, transparency, ethical behavior, respect for stakeholders' interests, and compliance with the law in every decision-making. Organizations must commit to the decision-making process, system management, and preparation of organizational structures designed to enable them to apply the principles and practices of social responsibility.

Decisions in preparing CSR programs that organizations prioritize should be based on priorities set based on the results of the social mapping, needs and potential of local resources (due diligence), taking into account matters, among others related:

- a. To what extent are their conditions have the potential to pose a risk of human rights violations, so they need to be avoided
- b. Efforts to overcome problems that have the potential to be complained about by the community related to company operations
- c. Anticipating the possibility of discrimination and vulnerable groups, as well
- d. Efforts to respect civil, economic, socio-cultural, political, and fundamental labor rights.

In practice, especially related to employment, the things that CSR management needs to pay attention to include the following:

- a. Administration of employment relations
- b. Working conditions and social security, occupational health and safety, training and development of human resources, and a conducive work environment create synergies for related parties through an anticipatory attitude towards employment issues through facilitative dialogue.

Environmental aspects that need attention are related to efforts: pollution prevention and management of company operational impacts, sustainable use of resources, and mitigation and adaptation to climate change, as well as efforts to protect the environment and biodiversity and habitat restoration local flora and fauna. Whereas about fair company operational practices (fairness), matters that need to be considered include exemplary practices in the form of prevention of possible corrupt actions, responsible involvement in development policy matters, fair/fair competition, and promotion of social responsibility. in the supply chain, as well as respect for copyright.

Furthermore, no less critical, the main subject of ISO 26000 (2010) is community participation and development, as well as consumer issues. Community participation and development is a prevalent issues, and it is often misunderstood that community involvement and development are called CSR. Related to community participation and development, things that need to be considered for development in the CSR program include:

- a. Efforts to involve the community in social investment
- b. Concern for aspects of health, education, and culture
- c. Job creation and skills upgrading
- d. Development and access to technology, and
- e. Efforts to improve the welfare and increase the community's income, especially areas potentially affected by the company's operations.

Then matters relating to consumer issues that should be considered in CSR implementation include:

- a. Efforts to realize fair marketing through factual and unbiased information, as well as reasonable contractual practices
- b. Efforts to maintain consumer health and safety
- c. Maintaining good relations for the realization of sustainable consumption
- d. Service and support for consumers, as well as being proactive in resolving objections (disclaimer)
- e. Related to consumer data protection and privacy
- f. Access to essential services of the organization, as well
- g. Education and awareness for conducive consumer behavior.

3. Methods

The research method will be descriptive and analytic with a *cross-sectional approach* [16]. This design aims to describe the influence of various variables on *corporate social responsibility goals*, *corporate social issues*, and *corporate relations* programs on community welfare. The cross-sectional approach was used because data collection from both variables was collected and measured simultaneously when the research was conducted [17]. Based on the characteristics of the existing problem formulation, this research is explanatory, namely the type of research that tries to explain the relationship between variables [18]. In discussing the research method that will be used in this research is descriptive and analytic [19]. This method describes the existing phenomena and then analyzes them to explain the phenomena in which there is a relationship between variables [20].

4. Result and Discussion

4.1. Participatory Methods Of Identification Of Community Resource Potentials

The method used for assessing the potential of community and regional resources is Participatory Rural Appraisal (PRA). PRA is a set of methods/approaches that are expected to be used to facilitate the community so that they can:

- a. Share knowledge and experiences
- b. Analyze his living conditions
- c. Make an activity plan based on the results of the analysis.

The objectives of the participatory village assessment are:

- a. Communities can know their potential and problems in detail as a short-term goal.
- b. Arousing and cultivating awareness that community members have potential and, at the same time, facing process is a long-term plan.

This study method emphasizes data collection techniques and has a more significant portion of meaning as a continuous community learning process from the initial research, planning, implementation, and supervision to the final evaluation. Before the community participates in planning, they should know the conditions in the form of well-documented data.

The main elements of PRA Important things that need to be considered by the facilitator:

- a. Be polite and friendly to everyone
- b. Take advantage of people's free time to interact
- c. Lots of observing and taking notes
- d. Never patronize
- e. Use questions if you intend to develop the awareness process
- f. Learned a lot from the community/gathered information
- g. Avoid being opportunistic (highlighting someone's services). Several tools can be used for participatory village assessment.

4.1. Mapping

A map is a picture or miniature shape or form showing one position relative to another. Mapping is the activity of making a map which begins with conducting surveys, interviews, and observations and then presenting it in pictures or miniature documents that are easily understood and understood by the community. The purpose of the mapping is:

- a. Knowing the distribution of settlements based on the level of welfare.
- b. Knowing the distribution of natural resources and existing infrastructure in the village.
- c. Studying the condition of the community (especially the poor, women, youth, and other marginalized groups) regarding access to and control over existing public facilities.
- d. Studying the condition of society (especially the poor, women, youth, and other marginalized groups) regarding access to and control over natural resources and other resources in society.

Making a social map or location map for empowerment Making a social map or location map for participatory community empowerment certainly involves the participation of local people who are experts and have control of the area in making the map. So that the map becomes more accurate in terms of layout and boundaries, in this modern era, in making maps, you can use GPS to mark the boundaries and location of the map. However, you still have to involve local people who control the area. It is still necessary for remote areas or where there is no signal. Steps:

- a. The facilitator explains the purpose of the activity, the process flow, and the time required for this social mapping.
- b. The facilitator begins to assist in discussions with community groups to develop a list of legends to be included in the mapping. Such as roads, alleys/alleys, footpaths, and houses (mark them according to the welfare classification they make); main signs such as forests, hills, fields; public facilities such as schools, and mosques, churches, or temples; all sources of water, both natural and artificial. If the discussion is topical for water supply and sanitation, describe all public sanitation facilities and houses with latrines (acquired through the project or otherwise), the homes of men and women involved in the construction or maintenance of water supply and sanitation services, and the homes of men or women who received any form of training.
- c. Groups of men and women, jointly or separately, depending on gender relations, draw maps of local settlements. Depending on local conditions and availability of space and materials, they may remove large pieces of paper (2-4 sheets of flip chart paper held together), using their usual drawing tools), on the floor or open ground.
- d. Legends are explained using local materials, such as grain, seeds, flour, or chalk for mapping on the floor or other symbols for mapping on paper. If the map is made on the floor or open ground, copy it onto the paper after the activity is finished. Ask the discussion group to provide signs regarding the condition of access to natural resources and public facilities/facilities
- e. Invite discussion participants to calculate households based on their welfare rating jointly.
- f. Invite participants to discuss the following:
 1. Identification of potential village resources such as springs, irrigation, and agricultural land.
 2. Identification of public facilities in the village (Puskesmas/Pustu/Polindes, Schools).
 3. Who uses the existing natural resources (how do the poor, women, youth, and other marginalized groups) utilize these resources?
 4. Who uses existing public resources (how are the poor, women, youth, and other marginalized groups) in utilizing existing public resources?
 5. Which potential resources are seen and can be developed?
 6. How can this social map be used for village asset planning and management, and can it benefit the village, the poor, the rich, women, youth, and other marginalized groups
 7. Ask two representatives of female and male participants to express their appreciation for the process and results of the social mapping they have produced.

Minimum Expected Information:

- a. The number, type, and location of public facilities made by the community, both those made by the district itself and those created by previous projects.

- b. Restricting areas for existing facilities and clarifying household access to existing facilities
- c. Location of rich, poor, and middle-class families based on agreed criteria and their relation to access control to existing facilities
- d. Households that have access to existing facilities
- e. The houses of community members who play a role in building and maintaining facilities according to gender and social level.

The map is made simply by involving community participation to identify village institutional locations and buildings that are vital access for the community. This map shows how far village land is used for settlement, agriculture, and other productive businesses. This can be seen on the digital map, where we cannot know what and where the buildings are, such as schools, places of worship, village offices, health centers, and others.

4.2. Transect

The transect is a technique to determine the village's condition in a participatory way by tracing and observing the village area. The purpose of conducting a transect is to increase the motivation and participation of residents in discussing their potential and the problems faced by the village by observing locations where these potentials and issues exist. The benefits of transect activities are:

- a. Growing and increasing the motivation and participation of residents to care about the potential they have and the problems faced by the village.
- b. Villages have assets in the form of data/information about prospects and issues. Location tracing (transects) is carried out to facilitate the community to discuss the condition of resources by directly observing what is being discussed at the location.

According to the focus of the information excavated, the transects consist of: First, general resource transects, which are village tracings to make observations/observations about common potentials/problems in village settlement areas such as settlements and housing layout, yard arrangements, village offices, schools, puskesmas, places of worship, roads, toilets, water canals, social facilities, and public facilities. Second, natural resource transects are village tracings to make unique observations/observations on natural resources. The natural resources referred to include:

- a. Geography consists of topography (shape, slope, and natural surface conditions); type, fertility, land use (rice field, garden, forest, pasture); water, and its catchment area.
- b. Farming patterns, including essential types of plants, uses productivity and yields.
- c. Local technologies, including water management systems, erosion control, and living fences.
- d. Natural wealth, including sand and river stones/dig, sources of clean water.

Third, thematic transects are village tracings to make observations/observations on specific themes/topics, for example, rats, planthoppers, children's health, primary education, and so on.

Preparation for the implementation of transect activities that should be given special attention is preparing the team and community that will participate, including determining when and where to gather. Also prepared are stationary, comprehensive paper (piano), colorful cardboard, colored paper, glue, and colorful markers.

4.3. Seasons Calendar

A seasonal calendar is a tool for identifying critical periods in people's lives, namely when problems related to meeting essential needs are crucial and repetitive. In the PRA technique, an assessment tool can only sometimes identify all types of data needed. Each assessment tool used in each activity (work) has its characteristics. The seasonal calendar study tool can collect more data on the community's basic needs. Seasonal calendars study activities and conditions that repeatedly occur in a certain period (seasonal) in people's lives. These activities and circumstances are outlined within a period of 1 year. The purpose of compiling a seasonal calendar is:

- a. Knowing the conditions and patterns of community activities to obtain a profile of the community's main activities throughout the year.
- b. Knowing the shape of community activities, community time utilization can be seen, namely when the community is busy and when the district has free time in a year.
- c. Knowing the involvement of men and women in carrying out activities.
- d. Understanding the factors that support the community in carrying out seasonal activities.

5. Conclusion

CSR is the responsibility of an organization towards the impact of decisions and activities on society and the environment, which is manifested in the form of transparent and ethical behavior that is in line with sustainable development and community welfare, taking into account the expectations of stakeholders, in line with the law established and international norms of behavior, as well as integrated with the organization as a whole. CSR is a concept that requires companies not only to pay attention to the condition of the company's profits but also to pay attention to the welfare of the surrounding community. The concept of CSR is based on the triple bottom lines, which consist of profit, people, and planet (Rustriarini, 2010)

According to Nasdian (2006), empowerment is a path to participation. Before reaching that stage, of course, community empowerment efforts are needed. Empowerment has two main elements: independence and participation (Nasdian, 2006). Nasdian (2006) defines participation as an active process; the initiative is taken by community members themselves, guided by their way of thinking, by using means and processes (institutions and mechanisms) where they can assert control effectively.

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