

Corporate Social Responsibility in Improving the Quality of Public Education

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ABSTRACT

Social responsibility (CSR) is generally defined as how companies meet the expectations of shareholders and stakeholders while balancing social, environmental and economic objectives. The interest of several companies to develop the educational community through CSR activities is very important for the education community. Especially since the Law on PT. 40 of 2007, CSR is getting stronger. PTs that do business or manage natural resources in this area must be responsible for their social and environmental behavior (Article 74:1). Therefore, as part of efforts to achieve transparency and accountability of the government, it is necessary to find an appropriate mechanism to oblige the government to maintain fiscal balance. Data collection in a prescribed legal manner. The results of the study indicate that efforts to create synergies between CSR and the education community are a strategic step for companies, whose benefits are directly felt by the communities in which they are founded. The company's sensitivity to education continues to pay off. The company also has a social responsibility to help solve social, economic and environmental problems facing society.

KEYWORDS

Social responsibility; company; quality of education; community

INTRODUCTION

The presence of a Limited Liability Company (PT) as a form of business in daily life can no longer be underestimated. The existence of public transportation as a means of carrying out economic activities has become a non-negotiable issue.¹ The rules of social and environmental responsibility are contained in Law Number 40 of 2007 concerning Limited Liability Companies. Also known as PP No. 47 of 2012 concerning Social and Environmental Responsibility or commonly known as CSR (Corporate Social Responsibility). The aim of this commitment is sustainable economic development to improve the quality of life and the environment. This benefits public transportation itself, the community and the wider community. This provision is in harmony and balance with the limited liability company of natural resources which is intended to address the environment, values, norms, culture, and/or social and environmental responsibility of natural resources and existing supporting buildings.

To fulfil public transport obligations, socially and environmentally responsible activities must be budgeted for, calculated with the cost of public transport, and carried out with due consideration of justice and rationality. These activities are published in the annual report.² If public transportation does not fulfill its social and environmental responsibilities, the companies involved will be subject to sanctions in accordance with legal provisions. K.

¹ Binoto Nadapdap, 2018, "Hukum Perseroan Terbatas", Jakarta: Jala Permata Aksara, p.1.

² Masitah Pohan, 2011, "Tanggung Jawab Sosial Perusahaan Terhadap Buruh", Medan: Pustaka.

Bartends defines corporate social responsibility as the company's moral responsibility towards itself (internal) and employees outside the company's environment, namely the community around the company (external). In other words, corporate social activities do not consider economic gains or losses.³

According to A. Sonny Keraf, the concept of corporate social responsibility refers to the fact that a company is a human legal entity, consisting of people. Just as people cannot live without people, companies cannot live without people to operate and achieve business profits. This requires that businesses operate responsibly and take into account the rights and interests of many other stakeholders and that all businesses are sensitive to certain people, communities and the environment. We must be held accountable for the actions and business activities that affect us. where the company operates.⁴

One of the private (corporate) programs that target the community is Corporate Social Responsibility (CSR). The interest of several companies to develop the educational community through CSR activities is very important for the education community. CSR has become stronger since it was clearly stipulated in Law Number 40 of 2007 which was recently passed by the DPR. PT that conducts business and/or manages natural resources in this area has social and environmental responsibilities (Article 74 (1)). Therefore, a good company not only pursues economic profit (profit) but also pays attention to environmental sustainability and community welfare. Therefore, CSR practices are expected to play a role in solving educational problems.

The existence of regulatory instruments is a driving force for the community to demand that companies provide CSR programs to them. Another driving factor is advocacy supported by NGOs that build awareness of the rights of citizens. Community demands can also develop not only expecting assistance from CSR programs but also a desire to be considered in the priority of employee recruitment or to be included as partners in business processes.⁵ Therefore, it is also necessary to pay attention to how the company's social responsibility in improving the quality of education in the community. The public can of course express their aspirations. They can distribute directly, to community leaders, non-governmental organizations or through local governments.⁶

RESEARCH METHODS

By describing legal issues related to the implementation of calculating state financial losses as evidence against corruption. So, we need a data collection method with a normative juridical approach, namely an approach that comes from primary and secondary data. Secondary data includes primary and secondary legal materials. The main legal material is Legislation. Secondary legal sources consist of textbooks, legal journals, results of previous research, scientific opinions, and other publications. Conclusions are drawn in a deductive way, namely concluding a general problem to a concrete problem. Through the normative juridical method, all matters relating to the topic of the problem will be explained how the role of the law should be in addressing these educational problems.

³ *Ibid.*, pp. 25.

⁴ *Ibid.*, pp. 27.

⁵ Kurki, Anja, Andrea Boyle, and Daniel K. Aladjem. "Implementation: Measuring and explaining the fidelity of CSR implementation." *Journal of Education for Students Placed at Risk* 11.3-4 (2006): 255-277.

⁶ *Ibid.*, pp 85-87.

RESULTS AND DISCUSSION

Implementation of CSR to Improve the Role of Education

Education has a role that aims to improve human quality and build resources for good development. A quality person has a balance of several dimensions: personal, social, and national as an individual.⁷ Limited Liability Company Law (UUPT). Article 74 of the Company Law stipulates that companies are required to implement corporate social responsibility (CSR) regulations. Education can be one of the keys to sustainable development to reduce poverty, so social efforts are needed that can provide access to quality education.⁸ Companies can also significantly influence the empowerment process by raising the standards of leadership development and training within their organizations. Therefore, progress in the world of education cannot run alone. Therefore, cooperation between the business world, the community and the government is needed which is packaged through a CSR program.

The company's policy of developing a strategic environment through CSR is the foundation of the joint program, which aims to enable students to develop an entrepreneurial spirit through joint programs. In addition to nuanced goals related to technology and business mastery, CSR programs focus on community empowerment, both those directly related to the company's business processes and those related to other strategic environments such as corporate governance.

The implementation of CSR to strengthen the role of education in community development is not only for multinational companies and large companies. Even companies with modest turnover can do this. The essence of CSR is not to spend money, but to deal with problems that arise in society, especially in the field of education. Regarding benefits, CSR is certainly profitable, but the benefits can last a long time. CSR must be sustainable, not a closed program.

The implementation of CSR, especially in the field of education, takes a lot of time, but CSR brings sustainable and long-term benefits to the company. The implementation of CSR can be more focused on the cost of materials that are managed and implemented directly in the community and bring social benefits to education. Efforts to link CSR with the world of education are a strategic step for companies whose benefits are felt directly by the communities where they are located. The company's sensitivity to the world of education is an investment that is not in vain and has lasting results.

Corporate Social Responsibility in Improving the Quality of Public Education

The company realizes that the corporate social responsibility program is an investment in the company's growth and sustainability. The social responsibility program is the company's commitment to helping create sustainable development. The implementation of the CSR program is one form of implementing the concept of good corporate governance. In general, the implementation of CSR activities consists of incorporating a blueprint or activity formulation into actual work actions. Proper preparation, coordination and involvement of all stakeholders will facilitate the implementation of activities. Each party already knows its roles and responsibilities so that it can best contribute to the objectives of the activity.

⁷ Prideaux, D., Alexander, H., Bower, A., Dacre, J., Haist, S., Jolly, B., ... & Tallett, S. (2000). Clinical teaching: maintaining an educational role for doctors in the new health care environment. *Medical education*, 34(10), 820-826.

⁸ Anderson, S. E. (2003). The school district role in educational change: A review of the literature. *International Centre for Educational Change*, 34(2), 25-45.

Leadership plays a very important role in inviting various actors into a unified and dynamic whole.⁹ Each stage of the implementation of activities must ensure that the objectives can be achieved effectively and efficiently. The implementation of CSR activities is mostly done by incorporating blueprints of activities and formulations into actual work actions. Ease in carrying out activities because each party already knows their respective roles and responsibilities in order to make the best contribution to the objectives of the activity, with good preparation, coordination and involvement of all stakeholders will be achieved. Leadership plays a very important role in inviting various actors into a unified and dynamic whole. At each stage of the implementation of activities, it is necessary to ensure that the objectives can be achieved effectively and efficiently.¹⁰

Law Number 32 of 2009 concerning Environmental Protection and Management states that maintaining a good and healthy environment is a human right of every Indonesian citizen as regulated in Article 28 of the Constitution. The country's economic development must be based on the principles of sustainable development and environmental awareness. The decline in environmental quality threatens the survival of humans and other organisms and requires serious and consistent environmental protection and management practices by all parties. By definition, the environment is the unity of all things, forces, conditions and space with nature itself, humans and living organisms that affect their behavior, survival and well-being with other living organisms. Including Law number 32 of 2009 Article 22: "every business and/or activity that has an important impact on the environment must have an Amdal". Primary impacts are determined using the following criteria:¹¹

- a. Number of people affected by the proposed business and/or activity;
- b. Effect distribution area;
- c. Impact force and duration.
- d. the number of other environmental factors affected.
- e. The nature of the cumulative impact.
- f. Reversal or not a reversal of the impact; or
- g. Other standards are the development of science and technology.

The importance of social and moral responsibility in a company is determined by the values adopted by the company itself. When social responsibility is understood as the value that the company represents, it is integrated into the company's goals and mission, which ultimately also determines the company's strategy and structure. The performance and strategies implemented by the Company must always be monitored and controlled within a certain period to prevent fraud and fraud.^{12, 13}

Social and environmental responsibility or what is commonly referred to is essentially targeting the community as a subject. For any activity or project, the goal is to help the community increase its capacity so that it can solve the social, economic and environmental problems they face. In the end, the goal of the CSR program is to build community self-reliance as a whole.¹⁴ As an illustration to help others get fish can be

⁹ Mohammad Abdul Ghani, 2016, "Model CSR Berbasis Komunitas", Bogor: IPB Press, pp.220-221.

¹⁰ *Ibid*, pp. 220-221.

¹¹ *Ibid.*, pp. 133-134.

¹² Binoto Nadapdap, 2018, "Hukum Perseroan Terbatas", Jakarta: Jala Permata Aksara, pp.194.

¹³ Wantu, F. M., Mahdi, I., Purba, A. S., Haris, I., & Amal, B. K. (2021). The Law on Plant Protection, an Effort to Save Indonesia's Earth: A Review of International Publications. *International Journal of Modern Agriculture*, 10(1), 867-879.

¹⁴ Lindgreen, A., & Swaen, V. (2010). Corporate social responsibility. *International journal of management reviews*, 12(1), 1-7.

obtained by giving directly or providing a hook so he can find it himself.¹⁵ The substance of CSR is to reinforce the community to be able to solve problems independently. To achieve this goal, the involvement of the program recipient community, from the stage of idea formulation, to the end of the implementation of the activity, is very important. The aim is to build a sense of ownership, experience managing activities, and the growing awareness that it is they who will ultimately maintain and manage the project or activity handed over to the community. Community involvement is also a vehicle for interaction and communication that will strengthen the bonds of a more harmonious relationship between the company and the community.¹⁶

The most important principle in starting a business is looking for profit. Legal entities are established by their shareholders for profit purposes. Keynote is the way to maximize financial gain. No equity owner starts the business in a loss scenario. Whenever possible, casualties should be prevented or minimized. Shareholders hope to recover their invested capital in the shortest possible time. The sooner the company becomes profitable, the better for the owners of capital. On the other hand, the prolonged profitability of the company forces the owners of capital to postpone their intention to profit from the capital invested in the business unit. These principles require companies to function optimally. All costs and expenses are minimized, including the social and environmental responsibility budget.¹⁷

Corporate social responsibility is carried out through appropriate mechanisms and procedures and provides direct or indirect benefits to the company. It is a condition that activities are carried out from the planning stage to implementation by taking into account aspects of empowerment and social commitment. The implementation will be carried out in a coordinated manner with other stakeholders, especially local governments. Communication of CSR programs through mass media must also be packaged professionally so that the information provided generates empathy for the wider community.¹⁸

The CSR (Corporate Social Responsibility) program is not just charity or voluntary donations, CSR is much more complex than that because CSR is related to many factors.¹⁹ The related factors are the large amount of money that the company routinely spends every year, the factor of location of the area where the company is located, and the factor of the principle of justice that must be felt equally by all stakeholders. CSR is also a factor for the livelihood of many people, environmental sustainability factors, social harmony factors, and others, if various factors can work synergistically, then what happens next is an increase in community welfare.²⁰

CSR programs that do not pay attention to program sustainability will only become separate programs. CSR programs should also ideally not be determined from the center, but inductively, namely by taking an inventory of the needs that are voiced from the regions, therefore coordination between companies, the government and the community is an important factor for the success of CSR programs.²¹

¹⁵ Buhmann, Karin. "Corporate social responsibility: what role for law? Some aspects of law and CSR." *Corporate Governance: The international journal of business in society* 6.2 (2006): 188-202.

¹⁶ Mohammad Abdul Ghani, *Op., Cit.*, pp.218-219.

¹⁷ Binoto Nadapdap, 2018, "*Hukum Perseroan Terbatas*", Jakarta: Jala Permata Aksara, p. 184

¹⁸ Mohammad Abdul Ghani, 2016, "*Model CSR Berbasis Komunitas*", Bogor: IPB Press, p.103.

¹⁹ Windsor, Duane. "The future of corporate social responsibility." *The international journal of organizational analysis* (2001).

²⁰ Ujjianto Singgih Prayitno, 2015, "*Corporate Social Responsibility: Konsep, Strategi, dan implementasi*", Yogyakarta: P3DI Setjen DPR RI and Azza Grafika, p. 248.

²¹ *Ibid.*, pp. 248-249.

Community empowerment is the process of encouraging people, especially those who do not have access to development resources, to live more independently. In this process, communities are supported in assessing development needs, problems and opportunities. Community development aims to increase the potential of the community to improve the quality of life of all community members through self-help activities. To achieve this goal, priority should be given to elements that improve the quality of human resources through formal and non-formal education. Empowering communities is about educating people so they can educate themselves.²² That the business world has become the most powerful institution in relation to CSR. The dominant institution in any society must assume social responsibility for the common good. This is because every decision taken, and every action taken must be seen in the context of this social responsibility.²³

Education, health, economy, environment, and even socio-cultural.²⁴ The main purpose of CSR programs is to care for the community and strengthen the local community.²⁵ Determining the priority scale of social responsibility requires careful consideration. Furthermore, CSR activities that are developed must pay attention to the needs of sustainable community development and benefit all parties, so that the community is strengthened through these activities. Sustainable CSR activities have a positive impact and greater benefits in terms of community empowerment in the political, economic, socio-cultural and environmental fields.²⁶

Socio-Economic Benefits

Socio-economic benefits as a result of implementing CSR programs are generally long-term. The program that provides direct benefits is if the company can recruit workers from the surrounding community so that it does not require the provision of housing facilities, or makes the community a partner to meet the company's needs. The funds and resources that companies spend on CSR programs can be capitalized into intangible assets. The good relationship that is built as a result of assisting the surrounding community will be a modality in socio-economic interaction with the community. CSR can be a silencer valve, if conflicts arise with the community, and reduce the risk of social disturbances, security and business comfort. Thus, CSR activities play a role in reducing social, economic and natural risks.²⁷

Creating Community Welfare

CSR programs are long-term investments that aim to minimize social risks and improve the company's public image. One of the implementations of CSR programs is community development. CSR program concepts, guidelines, and implementation strategies are necessary for the success of the program. One approach to developing community empowerment is the value chain approach. The value chain is a series of production processes, starting with product input suppliers, through production, marketing, and final consumers.²⁸ This approach systematically considers all stages of the production process and analyzes the various links and information flow along the value chain. The advantage

²² Summers, Gene F. "Rural community development." *Annual Review of Sociology* (1986): 347-371.

²³ Ilona Vicenovie Oisina, *Op.Cit.*, pp. 84-92.

²⁴ Sharp, Ziva, and Nurit Zaidman. "Strategization of CSR." *Journal of business ethics* 93.1 (2010): 51-71.

²⁵ Idowu, Samuel O. "Corporate social responsibility initiatives from around the world: An introduction." *Key Initiatives in Corporate Social Responsibility*. Springer, Cham, 2016. 1-18.

²⁶ Ilona Vicenovie Oisina, *Op.Cit.*, pp. 96-97.

²⁷ Mohammad Abdul Ghani, *Op.Cit.*, p. 103.

²⁸ Porter's, Value Chain Model. "What Is Value Chain." *E-Commer.* (1985): 1-13.

of the value chain approach is that the process is participatory and involves stakeholders in deciding which CSR programs to implement.

CONCLUSION

Based on the explanation of the results above, this study concludes that:

1. The implementation of CSR can be more focused on the cost of teaching materials that are directly managed and implemented in the community and bring social benefits to education. The essence of CSR is not to spend money, but to deal with problems that occur in society, especially in the field of education. In terms of benefits, CSR is certainly profitable, but the benefits can be long-term.
2. Corporate social responsibility in improving the quality of community education by improving the quality of village community education, if it is seen that the benefits for the company have a positive impact on the company, namely having a good image in the eyes of the community, improving good relations between the company and the surrounding community.

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