

Corporate Social Responsibility in Timika Papua

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(Received: 12-December-2019; revised: 15-January-2020; agreed: 31-March -2020)

ABSTRACT

Corporate Social Responsibility (CSR) is an investment for companies for the company's growth and sustainability (sustainability) and is no longer seen from the cost center but as a profit center. The purpose of this study was to determine the Corporate Social Responsibility (CSR) in Timika Papua. This study uses a quantitative approach. Research data sources are primary data and secondary data. Data collection techniques used were documentation, questionnaire and observation. The population and research sample used were 100 respondents. Analysis of the data used is by using multiple linear analysis. The results showed that Corporate Social Responsibility in the fields of education, health and social capital had a positive and significant effect on Timika Papua. In the field of education PTFI provides assistance such as scholarships, construction of educational facilities and infrastructure, teacher assistance and education campaigns. In the health sector PTFI provides health services for the community and conducts community health programs. In the field of social capital, PTFI conducts infrastructure development and provides facilities for places of worship.

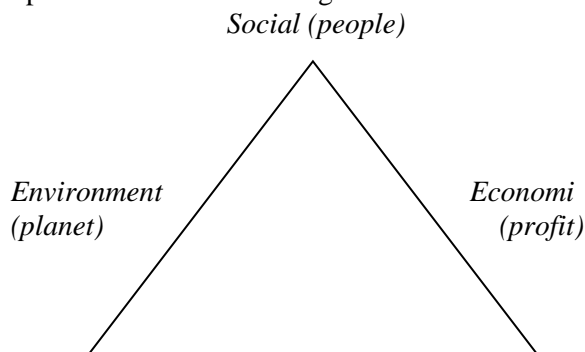
Keywords: *Corporate Social Responsibility (CSR); education; health; social capital.*

INTRODUCTION

At present there have been many efforts to realize public awareness through community awareness programs through Corporate Social Responsibility (Liu, Li, Quan, & Yang, 2019; Mohamed Adnan, Hay, & van Staden, 2018; Wan, Chen, & Ke, 2020). The development of CSR and the acceptance of the company like a snowball that rolled even greater. When initially CSR activities were based more on individual activities, now we see that CSR has become one of the strategies to improve corporate image which will also influence corporate financial performance.

The implementation of CSR must be a part of the business role and included in the company's business policies, so that the business world is not only an organization that is oriented towards achieving maximum profit but also becomes a learning organization, where every individual is not only in the organizational environment but also in social environment where the company is located. Program CSR merupakan investasi bagi perusahaan demi growth and sustainability (sustainability) of the company and no longer seen from the means of cost (cost center) is as profit (profit center). Corporate Social Responsibility is a phenomenon and strategy used by the company to supply the needs and interests of its stakeholders. Corporate Social Responsibility begins at an age where awareness of long-term corporate sustainability is more important than consideration of corporate profitability. Aside from pursuing profits, the

company also pays attention to and participates in meeting the welfare of the people (Planet). This relationship is in the form of a triangle as follows:



Draw the Relationship of Triangle Lines (*Triple Bottom Line*)
Source: Elkington, 1997

(Keller & Lane, 2013), revealed that CSR should not be an activity that is only a formality of the company's obligations to its social environment, but CSR should be a touch of corporate morality directed to achieve bottol line business goals such as boosting sales and market signals, building brand positing, attracting, building, motivating loyalty employees, reduce operational costs to build a corporate image in the capital market. With this argument, it can be seen that CSR is not a sticky or marginalized activity, but is a corporate pulse. Social responsibility is the company's actions and policies in interaction with its environment based on ethics.(Giosuè, Gancitano, Sprovieri, Bono, & Vitale, 2018).

Principles of corporate social responsibility (CSR) with priority corpotate, integrated management, process improvement, education for employees, assessments, products and services, public information, operating facilities, research, prevention principles, contractors and suppliers, emergency preparedness, transfers best practice, member contributions, and openness and achievement in the report(Rakhmat & Saraswati, 2013)(Daraba, Guntur, Kartini, & Salam, 2018; Nasrullah, Salam, Pratiwi, & Niswaty, 2017; M. S. Saggaf et al., 2018; S. Saggaf, Salam, Kahar, & Akib, 2014). Social responsibility can be interpreted as the concerns of managers of a company regarding the social, environmental, political, human and financial consequences for the actions they take (Cycyota, Ferrante, & Schroeder, 2016; Gras-Gil, Palacios Manzano, & Hernández Fernández, 2016; Shi, Sun, Zhang, & Jin, 2017).

CSR is the moral responsibility of a business organization for its stakeholder groups that are affected directly or indirectly from the company's operations (Amini, 2016; Cronqvist & Yu, 2017; Wu, Lin, & Liu, 2016). Correspondingly, (Prihardana, 2015) defines CSR as a corporate responsibility to stakeholders to behave ethically, to minimize the negative impacts and maximize the positive impact that includes economic, social and environmental aspects (triple bottom line) in order to achieve development goals berkelanjutan.Terdapat benefits which is obtained from the implementation of the company's Corporate Social Responsibility, both for the company itself, for the community, government, and other stakeholders. Wibisono (2007: 99), including:

1. For companies.
There are four benefits to the company by implementing CSR. First, the existence of a company can grow and be sustainable and the company gets a positive image from the wider community. Second, companies more easily obtain access to capital (capital). Third, companies can maintain quality human resources. Fourth, companies can improve decision making on critical matters (critical decision making) and facilitate the management of risk management.
2. For the community.
Good CSR practices will increase the added values of a company in an area because it will absorb labor, improve social quality in the area. Local workers who are absorbed will get protection of their rights as workers. If there are indigenous or local communities, CSR practices will respect the local traditions and culture.
3. For the environment.
CSR practices will prevent over-exploitation of natural resources, maintain the quality of the environment by suppressing pollution levels and thus companies are involved in influencing the environment.
4. For the Country.
Good CSR practices will prevent what is called "corporate misconduct" or business malpractice such as bribery to state officials or law enforcement agencies which triggers high corruption. In addition, the State will enjoy reasonable (non-embezzled) tax revenue.
By the company.
CSR action programs according to (Suharto, 2010) include:
 1. CSR in Education
As one of the pillars of national development, education cannot be ignored by companies by implementing CSR. So it is not surprising that education is an area that is not overlooked in the implementation of CSR in every company. For example, providing scholarships, providing teaching aid, procurement of equipment that supports education and so forth.
 2. CSR in the Health Sector
CSR programs should not leave the program in the health sector. CSR programs can be done in many ways, adjusted to the needs and what should be done in the local area. For example providing free medical treatment, providing additional food assistance for children and toddlers, as well as posyandu and improving the infrastructure of puskesmas in their operational areas and so on.
 3. CSR in the field of social capital
The social sector in the context of CSR is often seen as a pattern of social assistance carried out by the company to the surrounding environment in order to achieve social harmony between the company and its environment (the community). For example the construction of infrastructure, guidance for youth, mass circumcision, social assistance for traditional parties, natural disaster assistance and so forth.

RESEARCH METHODS

This research uses a quantitative approach (Creswell, 2013; Creswell & Creswell, 2017). Research data sources are primary data and secondary data. Data collection techniques used to obtain the best information and data with the assumption that the target of writing can be achieved is documentation, questionnaire and observation. The population and research sample used were 100 respondents. The criteria determined for the sample are people who have received CSR programs and have lived in the company area for at least 3 years. The data analysis used is multiple linear analysis.

RESEARCH RESULTS AND DISCUSSION

Educational variable consists of 6 question items with valid question items. As for the description of the items of valid education questions as listed in the following table:

Table 1 Description of variables in education

No	Item pertanyaan	Frekuensi					Rata-rata	Kategori
		1	2	3	4	5		
1	X1.1	0	1	3	66	30	4,25	Sangat baik
2	X1.2	1	1	25	51	22	3,92	Baik
3	X1.3	0	3	20	50	27	4,01	Baik
4	X1.4	0	3	24	55	18	3,88	Baik
5	X1.5	0	6	18	46	30	4,00	Baik
6	X1.6	0	7	27	37	29	3,88	Baik

Source: Data processed

The table shows that the health sector variables in PTFI's corporate social responsibility as a whole have shown good categories. While the very good category is in the question item X1.1 with the highest average value in the item of 4.25, X1.3 with the average value of the item of 4.01, X1.5 with the average value of the item of 4.00. This shows that questions X1.1 in the questionnaire relate to matriculation and scholarship programs that can enhance community development, X1.3 in the questionnaire relates to educational facilities and infrastructure, X1.5 in the questionnaire relates to support for remote areas.

Description of Health Sector Variables

The health field variable consists of 6 question items with valid question items. As for the description of the valid health field question items as listed in the following table:

Table 2 Descriptions of health sector variables

No	Question item	Frequency					Average	category
		1	2	3	4	5		
1	X2.1	0	0	0	44	56	4,56	Very Good
2	X2.2	0	0	8	40	52	4,44	Very Good
3	X2.3	0	0	21	38	41	4,20	Good
4	X2.4	0	11	14	49	26	3,90	Good
5	X2.5	0	7	22	41	30	3,94	Good

6	X2.6	1	8	19	29	43	4,05	Good
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Source: Data processed, 2015

The table shows that the health sector variables in PTFI's corporate social responsibility have shown a very good category. While very good categories are found in question items X2.1, X2.2, X2.3, X2.6 with the highest average value of question items X2.1 as large as 4.56. This shows that question X2.1 on the questionnaire relates to the construction of the hospital in the context of public health services promoting community development. On employee responsibility based on the results of the study revealed that the results showed that five indicators of customer satisfaction, namely Tangible (not visible) in this dimension, the comfort of the service office waiting room. Not in accordance with customer expectations, while the cleanliness and neatness of the office clerk, and cleanliness, reliability in this dimension, namely the ease in the process of registering to become a new customer, the ease of account payment is calculated and the implementation of records at the customer's home, responsive to this dimension, namely politeness and power response of officers in the administration of new customer service, speed and responsiveness of officers in the process of account payment, responsiveness in carrying out records, guarantees on this dimension, namely hospitality and belonging of officers who receive complaints in providing services, honesty officers in payment for new connections, skills of technical officers in dealing with technical issues, empathy in this dimension, namely hospitality and hospitality of complaints recipients in providing services, honesty of officers in payment of new connections, skills of officers in dealing with technical issues (Zainal & Farwita, 2019).

Description of Variable Fields of Social Capital

The social capital field variable consists of 7 question items with valid question items. The valid item description of the field of social capital questions as shown in the following table:

Table 3 Description of the variable areas of social capital

No	Question item	Frequency					Average	category
		1	2	3	4	5		
1	X3.1	0	0	7	58	35	4,28	Very Good
2	X3.2	0	4	23	48	25	3,94	Good
3	X3.3	0	9	30	43	18	3,70	Good
4	X3.4	0	4	20	55	21	3,93	Good
5	X3.5	0	6	14	49	31	4,05	Good
6	X3.6	0	6	19	34	41	4,10	Good
7	X3.7	0	7	17	41	35	4,04	Good

Source: Data processed, 2015

From the table, it shows that the variable of social capital in PTFI's corporate social responsibility as a whole has shown a very good category. While the very good category is in

the question items X3.1, X3.5, X3.6, X3.7 with the highest average value in item X3.1 as big as 4.28. This shows that question X3.1 in the questionnaire is related to infrastructure development programs in promoting community development.

CONCLUSION

The results showed that Corporate Social Responsibility in the fields of education, health and social capital had a positive and significant effect on Timika Papua. Based on the regression analysis in Appendix 4, it is known that the coefficient of influence of the Corporate Social Responsibility in education, health and social capital namely Corporate Social Responsibility in education by 0.172, Corporate Social Responsibility in the health sector 0.324 and Corporate Social Responsibility in the Social Capital field at 0.263. provide assistance such as scholarships, construction of educational facilities and infrastructure, teacher assistance and education campaigns. In the health sector PTFI provides health services for the community and conducts community health programs. In the field of social capital, PTFI conducts infrastructure development and provides facilities for places of worship.

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