

2015-
_CSR_Implementation_of_CSR.d
OCX
by

Submission date: 16-Apr-2023 10:07PM (UTC-0400)

Submission ID: 2066537581

File name: 2015-_CSR_Implementation_of_CSR.docx (79.36K)

Word count: 2160

Character count: 12650

**Implementation of Corporate Social Responsibility in The Form of
Investment Gallery (A Case Study: Indonesia Stock Exchange Gallery
Universitas Nusantara PGRI Kediri and PT.Sucorinvest Central Gani)**

Gesty Ernestivita¹

Islamic University Kadiri, Kediri, East Java, Indonesia

Samari², Subagyo³

Nusantara University PGRI Kediri, East Java, Indonesia

¹ gestyem0520@gmail.com, ² samari@unpkediri.ac.id, ³ ybnbagyo@yahoo.co.id

Abstract

Corporate social responsibility (CSR) is the issue which gets great attention, especially in Indonesia. CSR is responsibility of corporation widely. Companies are today obliged to some certain responsibilities in the society where they are active. Although CSR programs have the consequences with a number of cost but on the other hand it also can provide benefits to the company.

The number of investors in Indonesia is still considered minimal. Therefore, Securities Company like PT.Sucorinvest collaborate with Universities and IDX create CSR Program called "Investment Gallery" expected to increase the number of new investors especially among students. Investment Gallery expected to increase society and students knowledge in capital market not only theoretical but also practical.

Keywords: Corporate Social Responsibility, Investment Gallery

1. Introduction

Corporate Social Responsibility (CSR) getting more attention among business world. Since reformation era, society become more critical and able to do social control toward world business. Changes in level of social awareness, turn up new awareness of the importance of CSR (Daniri, 2008). CSR is a term used collectively to represent a number of related business activities, each of which has an impact on the way an organization conducts itself, and particularly how it interacts and deals with the world around it.

Companies are today obliged to some certain responsibilities in the society where they are active. The most basic responsibilities are laws and rules that they have to supply under. However over the latest years a wider liability on companies from the society has developed. Organizations today are forced to show that their business stands for something more than just profits, and that their activities add some value, or at least do not negatively affect the community around them (Ledwidge, 2007). These new demands on the companies and the fact that the discussion about the environment and sustainability has heated up over the latest years put new pressures on companies. CSR commitment has

boosted over the latest years, this has put a new light on CSR obligations and the way organizations work with these issues. Often a difference in CSR intention and its actual implementation within an organization could be identified. This could be explained by the fact that CSR is sometimes seen as necessity, and that it is complementary instead of fundamental to an organization's core strategy. This could lead to that companies have multiple identities - one for CSR activities and one for core businesses; A stature that has been called "corporate schizophrenia" (Ledwidge, 2007). In order to understand a company's CSR work we intent to study the implementation process of CSR within a company.

Although CSR programs have the consequences with a number of cost but on the other hand it also can provide benefits to the company, one of them is build company image. Company's image becomes important considering with many companies budgeting much cost in advertising is only for catching a positive imag. But not many companies are well aware of the need for the implementation of CSR. Nowadays, the application of CSR programs in companies can be reviewed in particular for developing because CSR application was identical with cost.

PT. Sucorinvest as equity brokerage company, in efforts to introduce the Capital Market in Indonesia, especially in education community, create a CSR program by launch investment gallery in collaboration with IDX and universities. The expectation is that society especially among education will be more familiar with the world capital market not only theoretically but also practically. It is also to break opinion about investing in the stock market requires huge funds, because in fact only one hundred thousand rupiah we can already invest in stock market.

2. Corporate Social Responsibility (CSR)

CSR is a concept that has many different definitions and a concept that is growing in the corporate world today. In the 1960, Kevin Davis suggests that social responsibility refers to businesses' "decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interest" (Carroll, 1991). This is a concept that has been modified and developed over the latest decades. Today CSR is not a homogenous concept. Instead it should be seen as a combination of many areas: sustainability, corporate accountability and corporate governance in relations to its stakeholders (Löhman & Steinholtz, 2003). Löhman and Steinholtz (2003) furthermore claim that CSR has developed because of the change that has occurred in the world over the recent 20 years. Politics as well as business communities have been influenced by the globalization process and the displacement of values from material to immaterial values that has taken place. For the majority of the latest 30 years, corporate executives have struggled with the issue of the firm's responsibility to its society (Carroll, 1991). To further increase the understanding of the concept CSR present different definitions of CSR will be presented below: Kotler and Lee (2005) claim, "Corporate social responsibility is a commitment to improve community well-being through discretionary business practices and contributions of corporate resources.". Similarly Löhman and Steinholtz (2003) find that "Success in a globalize

economy requires a redefinition of a company's policies and practices resulting in efficient use of economic capital and ability to build, sustain and effectively deploy human, social and natural capital". Equally the European Commission (2008) declares that CSR is "A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis" (European Commission, 2008). Furthermore the European Commission declares, "Amongst other things, this definition helps to emphasize that: CSR covers social and environmental issues, in spite of the English term Corporate Social Responsibility; CSR is not or should not be separate from business strategy and operations: it is about integrating social and environmental concerns into business strategy and operations; CSR is a voluntary concept - An important aspect of CSR is how enterprises interact with their internal and external stakeholders (European Commission, 2008).

3. Investment Gallery

Indonesia Stock Exchange (IDX) Investment Gallery means to introduce the world of capital market in education background. IDX Investment gallery concept is 3 in 1 which collaborations between the IDX, Universities and Securities Company (in this case PT.Sucorinvest). It is expected to not only introduce the Capital Market not only theory but also practice. Going forward through IDX Investment gallery that provides real time information to learn analyze trading activity, is expected to become a bridge to mastery theory and its practice in the capital market.

IDX Investment galleries provide all publications and printed materials on the capital market, published by the Indonesia Stock Exchange, including regulations and the capital market law. The information and data in the IDX Investment gallery can be used by the academic community for academic purpose, not for commercial purposes except in terms of buying and selling stock transaction. The IDX Investment Gallery is expected to mutually benefit to all parties so that the dissemination of information on target capital market and can provide optimal benefits for students, practitioners of economics, investors, analysts and the general public capital markets in the surrounding area and good for the sake of socialization and education / education for the capital market and economic interests or alternative investments.

4. CSR Application Model in The Form of Investment Gallery

The number of investors in Indonesia is still considered minimal. Therefore, investment gallery expected to increase the number of new investors. Director of IDX, Adeki Basirun said that students are expected to help spread the knowledge of capital market.

Open equity accounts are generally subject to a minimum budget about five million rupiahs . But, in this Investment Gallery, society especially students can open equity account only with one hundred thousand rupiah. In hope that students can get to know the capital markets practice and make the capital market

as one of the means to invest. So that students and society can have shares only with funds one hundred thousand rupiah.

Investors number in Indonesia still very low, ie, the range of 410,000 to 420,000 investors among Indonesia's population 250 million people. Most investors are of childbearing age, not a few of whom are students and young executives. The lack of accessibility and public knowledge about investment products, such as stocks , bonds is the main reason. Therefore, the presence of the gallery, is expected to become more open access and domestic investors can continue to grow. Public knowledge about the stock market is still very minimal so that many people stuck on bulging investment. Therefore, this gallery is expected to be one solution for people who want to learn about the stock market.

IDX Investmet Gallery also bring some facilities for students like provide data that student usually use for writing academic paper (financial reports of go public company, bank rates,etc). There is also mini library with some collections of economic books, and capital market dvds.

There are benefits obtained for each party in the establishment of CSR Program "IDX Investment Gallery":

1. For IDX, as a means of socialization and education in academic circles that can be done well, expected that society and student not only know the capital market theory but can immediately practice.
2. For universities (Universitas Nusantara PGRI), there are strategic alliances with actors in Capital Market (IDX, AB, Data Vendors) . Increase image and value selling university.
3. For Securities Company (PT.Sucorinvest), as a step media campaign among students and academics and as a medium to recruit new competent human resource.

5. Conclusion

Corporate Social Responsibility (CSR) is a concept that the organization has a particular company responsibility towards customers, employees, shareholders, communities and the environment in all aspects of company operations. CSR is closely related to sustainable development , in which a housing in carrying out its activities are not based on business profits alone, but should also be based on social and environmental consequences for current and for a long period.

In keeping with its commitment , not solely for profit , but also cares on the social community. PT.Sucorinvest has been implementing its CSR in a variety of activities, one of them is by open Investment Gallery colaborate with IDX and University. In this gallery, student and society can learn about capital market theoretically and practically teach by capital market practitioner. There are also some facilities like mini library, capital market school, seminars, workshop and all program and facilities is free.

References

- Carroll, A.B. (1991) *The Pyramid of Corporate Social Responsibility: Toward the moral management of organizational stakeholders*. Business Horizons. [Online] 34 (4), p.39-48. www.sciencedirect.com/science/article/B6W45-4DTS9V4-5V/2/45e3777e33e87944ed926c28923652f. Retrieved March, 30th 2015.
- Daniri, Mas Achmad. 2008. *Standarisasi Tanggung Jawab Sosial Perusahaan (Bag 1)*. www.madani-ri.com/2008/01/17/standarisasi-tanggung-jawab-sosialperusahaan-bag-i/. Retrieved March, 30th 2015.
- EC, European Commission, Summaries of Legislation. *Corporate Social Responsibility*. http://ec.europa.eu/enterprise/csr/index_en.htm. Retrieved March, 30th 2015
- Hermasson, Nikklas. & Olofsson, Olla. 2008. *The CSR Implementation Process - A Four Step Model to an Efficient CSR Implementation*. Kristianstad University: International Business and Economics Program Bachelor Desertation.
- IDX. 2010. *Galeri Investasi Bursa Efek Indonesia*. <http://www.idx.co.id/id-id/beranda/tentangbei/programbei/galeriinvestasibei.aspx>. Retrieved March, 30th 2015.
- Kotler, P. & Lee, N. (2005). *Corporate Social Responsibility – Doing the Most Good For Your Company and Your Cause*. Hoboken, New Jersey: John Wiley & Sons, Inc.
- Ledwidge, J. (2007). *Corporate social responsibility: the risks and opportunities for HR*. In. Human resource management international digest, 15 (6), pp. 27-30.
- Löhman, O. & Steinholtz, D. (2003). *Ansvarsfulla Företaget: Corporate Social Responsibility I Praktiken*. Ekerlids Förlag AB.
- Solopost. 2015. *Pasar modal menjangkau kalangan mahasiswa di UNS. BEI membuka galeri investasi yang menyediakan Sahamku Rp100.000 dari OJK*. <http://www.solopos.com/2015/03/24/pasar-modal-di-galeri-investasi-bei-beli-saham-cukup-rp100-000-mau-587736>. Retrieved March, 30th 2015.
- Sulistyo, Budi. (2010). *Implementasi Corporate Social Responsibility pada PT. AQUA DANONE*. Gunadarma University
- Yulin. 2012. *Penerapan Program CSR Untuk Meningkatkan Perilaku Pembelian Konsumen Pada Ritel*. Wima: Kajian Ilmiah Mahasiswa Manajemen Vol 1, No.3.

Author



Gesty Ernestivita holds Linguistics Bachelor in Brawijaya University (Class of 2009, cum laude), and now study Master of Management in Islamic University Kediri (class of 2013). She is a practitioner in Capital market in one of leading securities company in Indonesia. She is also have online business run in fashion.



Dr. Samari is one of senior lecture in Economic Faculty of Universitas Nusantara PGRI Kediri. Besides teaching, also have other activities like active in giving training and mentoring Micro, Small and Medium Enterprises, especially in East Java-Indonesia.



Dr. Subagyo is lecture in Economic Faculty of Universitas Nusantara PGRI Kediri. Dr. Subagyo is one of senior lecture in Economic Faculty of Universitas Nusantara PGRI Kediri. Besides teaching, also have other activities like active in giving business consultation, technical assistance, training and mentoring Micro, Small and Medium Enterprises (MSMEs), especially in East Java-Indonesia. Dr. Subagyo is a Director of Business Development Services, an institution that provides business consulting services and research in the field of MSMEs development.

2015-_CSR_Implementation_of_CSR.docx

ORIGINALITY REPORT

15%

SIMILARITY INDEX

10%

INTERNET SOURCES

4%

PUBLICATIONS

8%

STUDENT PAPERS

MATCH ALL SOURCES (ONLY SELECTED SOURCE PRINTED)

1%

★ hdl.handle.net

Internet Source

Exclude quotes Off

Exclude matches Off

Exclude bibliography On