

# The Ideal Concept of Corporate Social Responsibility through the Social Welfare Approach

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## Abstract

As the legal subject of the company in the course of business undertaken by its managing business has the burden of moral rights and responsibilities, and it is not just for moral responsibility and obligation to shareholders or investors only. However, the company's management also has the responsibility and moral obligation to other parties related to the business operations of a company. The concept of CSR embodies the meaning that the company has a responsibility that includes legal, economic, ethical, and environmental responsibility. The present study used a constructivism paradigm or more precisely Legal Constructivism. This paradigm belongs to a group of non-positivistic paradigms. The constructivism paradigm chose it by considering that the law is a social reality; thus the truth depends on how people interpret. Through the constructivism paradigm, the authors want to study objectively with accurate data, then constructed through legal concepts that are still being tested for their strengths. The specification of this research is descriptive analytical. Ten manufacturing companies in this study admit they have been implementing the CSR program for ten years. Hence the significance of regulation about their CSR is understood. In fact, there has been a change in the paradigm of the implementation of CSR initially only a philanthropic act that is temporary, as government rules and community demands are further evolving into a sustainable CSR implementation paradigm. The manufacturing company argues that by applying CSR programs to communities around the operational areas of the company can enhance the image and caring for the fellow to have a good effect to improve the welfare of the people around the company.

**Keywords:** Corporate Social Responsibility, Moral Obligation, Social Welfare, Commitment, Competent, Consistent.

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## INTRODUCTION

Companies and societies are two components that are inseparable to one another. In essence, the existence of a company is a subsystem of the social system structure that is independent of the social environment, where the company, especially the neighborhood environment around the company's operations. Both have a mutual relationship that affects each other so that the existence of the company brings a change towards the good of improving the standard of living of the community.

Nowadays, the era of modern information and communications technology has changed the concept of ideology, "the only duty of the corporation is to make profit" adopted by the company over the years, becoming the emergence of a collective awareness concept by promoting ethical values in business, where the sustainability of a company will not occur without adequate support from its stakeholders such as, managers, consumers, workers and members of the

community. The relationship is based on the evolving ethical values in society so that the emergence of social contracts between the company and the people around the company. According to J. J. Rousseau [1], social contracts indicate the reciprocal promise and each party's efforts in contracts related to obligations that will provide some interest to others in the contract.

Ethical values in business today, its existence is beginning to be felt and required by a company. The company should act following the ethical values framework by always considering good and bad, right or wrong, to maintain long-term business sustainability [2]. For instance, firms that do not uphold ethical values in their business are: corporations lied to consumers with the quality of goods in their production with the aim of gaining huge profits, violating local social norms or methods, in the short term may be of great benefit. However, it is impossible to survive for a long time.

As the legal subject of the company in the

course of business undertaken by its managing business has the burden of moral rights and responsibilities, and it is not just for moral responsibility and obligation to shareholders or investors only. However, the company's management also has the responsibility and moral obligation to other parties related to the business operations of the company. Participants who are more concerned with the company's operational responsibilities and moral obligations are the rights and interests of employees, consumers, suppliers, local community distributors and so on. In short, the responsibility and the moral obligations of the company's managers are not only concerned with the interests of shareholders but are also common to stakeholders as well.

In order to improve the welfare of stakeholders from the company, the company should implement social concern to the communities around the company. Social concern for the community around the company environment is often referred to as corporate social responsibility (CSR).

The concept of CSR embodies the meaning that the company has a responsibility that includes legal, economic, ethical, and environmental responsibility. More specifically, CSR emphasizes the ethical and social aspects of corporate behavior, such as business ethics, compliance with law, prevention of abuse of power and the placement of community property, humanitarian work practices, human rights, security and health, consumer protection, social donations, work and goods distribution standards, and inter-state operations. Hence, corporate social responsibility to the community and the enhancement of corporate participation in society should be interpreted as an effort to create mutual benefits for companies and communities, to create awareness, and harmony with various stakeholders. Carroll mentioned that CSR was implemented by the company due to economic responsibility, responsibility for the law, ethical responsibility and responsibility for virtue [3].

Implementation of CSR within the company's internal scope is a strategic decision of the company that should have been designed from the beginning to implement a healthy work environment, employee welfare, raw materials, and environmentally friendly waste aspects, and all aspects of running the business are guaranteed not to apply malicious practices. Whereas the implementation of CSR in the external scope should have an impact on the improvement of the social and economic aspects of the environment around the company in particular and the general public environment. External responsibility is a common obligation between business entities to realize the welfare of society through sustainable development. With the industrial development which should have a positive impact can absorb labor, increase economic

productivity, and become a national and regional development asset.

The obligation of a company or business entity to contribute positively to the social environment or recognized with corporate social responsibility (Corporate Social Responsibility) and the scope of its discussion and regulation undergoes rapid development. Where the arrangement of corporate social responsibility is implied in the preambular (opening) 1945 Constitution confirming that, "... the Indonesian Government that protects the entire Indonesian nation and all over the world Indonesia and to advance the general welfare, intellectual life of the nation, and to carry out the world order based on independence, eternal peace and social justice, ..... ". from the word "advancing the general welfare" means the state wants to generalize the welfare of the public rather than individual welfare. Hence all the components that exist in countries such as governments, business people, and the people or the community should implement the realization of such general welfare.

Based on the opening of the 1945 Constitution above, then elaborated in the 1945 Constitution is also found in Article 33 Paragraph (1) and (4) that Paragraph (1) states, "The economy is structured as a collective effort based on the family's sense", in Paragraph (4 ) stated, "The national economy is organized on the basis of economic democracy with the principle of togetherness, justice efficiency, sustainable, environmentally sound, independent, and with the balance of progress and national economic unity".

Concerning the company's obligations, then in the implementation of Corporate Social Responsibility, it should be followed by the regulation that requires the company to undertake corporate social responsibility. Due to the emergence of several regulations, among others: Law No. 25 of 2007 on Capital Investment (UUPM), Law Number 4 Year 2009 on Mineral and Coal Mining, Law Number 22 Year 2001 regarding Oil and Gas Natural Gas, Law Number 19 Year 2003 on State-Owned Enterprises and Law No. 40 of 2007 on Limited Liability Companies (UUPT).

Prior to the inception of the new Capital Investment Law and Company Law, corporate social responsibility or Corporate Social Responsibility is a business ethic that is unwritten in Indonesia. However, this ethic has been normative with the enactment of Law No.40 Year 2007 and Law No.25 Year 2007. Law No. 25 of 2007 on Investments, article 15 states that each investor is obliged:

- Understand the principles of good corporate governance
- Implementing corporate social responsibility
- Make a report on the activities of the investment and submit it to the Investment Coordinating Board
- Adhere to all provisions of laws and regulations

Article 15 (b) further explains that "corporate social responsibility" is the responsibility attached to each investment company to maintain a harmonious, balanced, and harmonious environment, values, norms and cultures of the local community. From the article's point of view, corporate social responsibility has not been firmed about the implementation of corporate social responsibility (CSR) and means that companies in the corporate social responsibility (CSR) implementation are voluntary.

Following the enactment of Law Number 40 the Year 2007 About Limited Liability Company, it has ended the debate about the obligations of CSR or Social Responsibility and Environmental for limited liability companies. The Social and Environmental Responsibility set by the UUPT 2007 is inspired by the recent developments that have taught the company as a company that conducts activities in the midst of community life.

Therefore, the company should take responsibility for the social problems faced by the local community. The provisions requiring the company to comply with social and environmental responsibility as provided in Article 74 paragraphs 1, 2, 3 which read:

- Companies that operate their business in and/or related to natural resources must comply with social and environmental responsibilities.
- Social Responsibility and the Environment as referred to in paragraph (1) which is the obligation of the budgeted company and calculated as the company's expense in which its implementation is carried out with due regard to the fairness and reasonableness.
- A company which fails to perform obligations as referred to in paragraph (1) shall be liable to sanction in accordance with the provisions of the laws and regulations.
- Further provisions on Social Responsibility and the Environment are governed by Government Regulation.

Concerning the provisions of Article 74 Paragraph (1) above, it is mentioning that the obligation of CSR implementation for companies that carry out their business activities in the field and/or about these natural resources only looks at the core business side of the company. Thus, the meaning contained in article 74 paragraph (1) creates a debate especially among the entrepreneurs, in which some communities and entrepreneurs feel that the application of Article 74 paragraph (1) poses discrimination because it only requires CSR to companies that carry out their business activities in the field and/or with natural resources. Although the company does not exploit it directly, as long as its business affects the function of natural resources, the company is obliged to carry out CSR. Thus it is clear that the concept of CSR which was just a moral obligation, then with the enactment of UUPT it

would turn out to be liable for liability. This case will raise the question of the debate: how does a company that does not carry out its business activities in the field and/or related to natural resources, is it not obligated to carry out CSR?

The provisions of article 74 paragraph (3) stating "being sanctioned in accordance with the provisions of the laws and regulations," is an uncertain formula (still common) and does not refer to the legislation, the imposition of such sanctions can be implemented freely -million. The provisions of paragraph (3) can also be infinite because in the clarification of the paragraphs it is formulated that "what is sanctioned in accordance with the provisions of the laws and regulations" is subject to all sanctions stipulated in the relevant laws and regulations." Therefore, a company that does not have CSR will be penalized. The sanction is not just sanctions imposed because the company does not carry out CSR, but it is also sanctioned if the company ignores the CSR in which the company violates the rules in the applicable social field [4].

With regard to both Laws, namely Law No. 25 of 2007 on Investments, especially Article 15 with article 74 of Law No. 40 of 2007 on Limited Liability Companies, there is inaction related to the arrangement of corporate social responsibility or familiarity with CSR (Corporate Social Responsibility) which is voluntary and compulsory.

In addition to the incompetence and inadequacy of the contents of the legislation related to corporate social responsibility, in the realm of the company's involvement in CSR activities has not yet yielded the sense of justice and has not had the maximum impact in prospering the community around the company that has implemented the CSR program in particular and in general CSR activities have not yet impacted on social welfare in Indonesia. What distinguishes this research with other studies on CRS is that previous studies have not yet studied the concepts of CSR activities management, the percentage of CSR funds value, the percentage of CSR activities that can improve the welfare of the community, the percentage of CSR activity target zones.

In relation to the above issues, it can be summarized as follows: 1) What is the concept of CSR (Corporate Social Responsibility) that has been implemented by the company today? 2) What is the impact of CSR (Corporate Social Responsibility) on community welfare?

The purpose of this dissertation research is to explain the concept of CSR (Corporate Social Responsibility) that has been implemented by the company today and to analyze the impact of CSR

(Corporate Social Responsibility) on the welfare of the community.

## RESEARCH METHODS

### Research Paradigm

This study uses a Constructivism paradigm or more precisely Legal Constructivism. This paradigm belongs to a group of non-positivistic paradigms. The constructivism paradigm chose it by considering that the law is a social reality; thus the truth depends on how people interpret. Also, through the constructivism paradigm, the researcher wants to study objectively with accurate data, then constructed through legal concepts that are still being tested for their strengths.

### Research Approach Method

An empirical juridical approach is a tool for analyzing the implementation of Corporate Social Responsibility as a variable to be studied in the field. Juridical approach (the law is seen as the norm or "das sollen"), while to study about social welfare is worked through the study of data derived from the results of the library study that is in the form of legal theory, theory related to Corporate Social Responsibility, and social welfare theory. From the results of the library study and documentation of national legislation, it is analyzed systematically about what should happen (das sollen). Empirical approach (law as social, cultural or das sein), because in this study the primary data obtained from the field is the purpose of identifying and understanding the problems or constraints associated with the implementation of Corporate Social Responsibility, problems and incidents that occur later in the analysis to get an overview of the area related to the implementation of Corporate Social Responsibility. From the "das sollen" analysis will be linked to "das sein" analysis which will result in a legal concept with Corporate Social Responsibility through Social Welfare Approach.

Determining the location of research is important to narrow the scope and sharpen the issues that we want to study. The location of the research chosen by the author in connection with the investigation of Corporate Social Responsibility through the Social Welfare approach is a company in the area of Central Java.

### Research Specification

Based on the description of the problem background, the specification of this research is descriptive analytical. Descriptive analysis is a descriptive study in order to illustrate as far as possible about a state of affairs in a particular place, or an existing symptom, or a specific event occurring in society within the context of research. It is descriptive of its purpose to measure and examine the phenomenon or symptom of problems concerning the application of legal principles, doctrines, regulations, and jurisprudence relating to Corporate Social

Responsibility to be systematically described. It is analytical because the data obtained and which has been systematically described for analysis pertaining to the problems arising in the application of basic legal, doctrinal, statutory and jurisprudential laws in respect of Corporate Social Responsibility. It is clear that the specification of this study is qualitative research, which means a research procedure that produces descriptive data analysis, what is expressed by the respondent in non-verbal or verbal and also its real and researched behavior as well as learned as a whole.

### Data Analysis

Analytical method in this research is qualitative analysis that is the data obtained through field research and library research, then arranged systematically and qualitatively analyzed to achieve clarity of problems to be discussed. Then the data in the interpretative analysis uses the theory that has been recorded then deductively concluded to answer the existing problems.

Qualitative descriptive analysis is obtained from the field of research on the implementation and weaknesses of corporate social responsibility during this time in Indonesia and then collected according to the data required in this study, and then arranged systematically.

In order to test the validity of the data that has been obtained, the researcher used the triangulation data validity test. Triangulation is a data validity checking technique that utilizes another outside of this data for the purpose of checking or as a comparison of the data.

## RESULTS & DISCUSSION

### The concept of corporate social responsibility that has been implemented by the company

In the context of national development of a country, one of its drivers is economic growth in which it is the implementation of business in various fields of business. It is undeniable that companies or industrial sectors have contributed more to economic growth. Responsibility for building a country not only by government and industry alone, but it requires cooperation with all stakeholders within a country. One of the goals of national development is to prosper the people.

On the other hand, the industrial sector is also the cause of its severe environmental degradation. This case is due to the exploitation of natural resources which is a source of production, or from production will produce waste that pollutes the environment. In today's development, the business world is not merely a profit, but it should take into account the social and environmental aspects.

Corporate social responsibility (CSR) is a form of corporate concern to the environment around it and



part of a company's or business's commitment to contributing to sustainable economic development. Generally, In Indonesia, CSR implementation by companies is still more dependent on the company's top leadership, where CSR policies are not necessarily in line with the company's vision and mission. That is, if a corporate leader has high moral awareness, it is likely that the firm will apply the policy on the correct CSR program. Likewise, if the company's leaders are only pursuing high productivity, huge profits, and only focusing on the achievement of personal and company targets and ignoring the environment around the company, the policy on the CSR program is merely natural and cosmetic.

To know and understand how the CSR implementation by the company being the informant in this research is a manufacturing company; services; and small and medium micro enterprises in the province of Central Java that have implemented the CSR program. In exploring information to the informants, the author has compiled the interview guide by dividing into several points, namely: a). Company understanding of CSR program, b). CSR management, c). Partner involvement (community / environment, government, academia / consultant /NGO), d). The form of activity, distribution of activity and target determination, e). Budget allocation, f). Socialization of CSR activities, g). Evaluation of CSR activities.

From the results of this study, it is found that there is a fundamental difference between manufacturing companies and MSMEs in the ongoing CSR activities. The implementation of the CSR program by manufacturing companies, in understanding the more diverse CSR program it adjusted the reason for the company in implementing the CSR program.

Several manufacturing companies in this study admit they have been implementing the CSR program for ten years. Hence the significance of regulation about their CSR is understood. In fact, there has been a change in the paradigm of the implementation of CSR initially only a philanthropic act that is temporary, as government rules and community demands are further evolving into a sustainable CSR implementation paradigm. The manufacturing company argues that by applying CSR programs to communities around the operational areas of the company can enhance the image and caring for the fellow to have a good effect to improve the welfare of the people around the company. Awareness of manufacturing companies is similar to Saidi, Zaim and Hamid Abidin [5] who divide three stages of the company in implementing the CSR program: First is corporate charity, a charity motivation based on religious motivation. Secondly, corporate philanthropy, a humanitarian drive usually derived from universal norms and ethics to help others and fight for social equity. The third is corporate citizenship, namely the motivation of citizenship to realize social justice

based on the principle of social involvement.

In the study of utilitarianism by Bertens states that business ethics is critical thinking or reflection of morality in economic and business activities [6]. Morality is always related to what man does, and business activity is one of the manifestations of human activity. Businesses should indeed be judged from a moral point of view, similar to the activities of other human beings who are also concerned about morals.

Concerning the manufacturing company being the informant in this study has applied the basic principles of CSR implementation delivered by Archie B. Carrol's management expert in the book of Porter, Michael E and Mark R. Kramer [7] on the pyramid of CSR which is a unity known as the triple bottom lines of profit, people and planets (3P). First profit; a company in running its business should remain profit-oriented economically because by gaining profit, the company will continue to operate and grow.

Similarly, the company who became the informant of this research after running the CSR program found that there was an increase in profit gained by the company. Second, people. In its operation, the company is required to have a concern for human welfare. Here the human welfare means, the welfare of corporate employees and welfare to the community around the company. It is in accordance with article 5 of the Minister of Social Regulation of the Republic of Indonesia Number 6 Year 2016 concerning social responsibility of the business entity in running social welfare, where the scope of social responsibility of the business entity in running social welfare includes social responsibility within the business environment and social responsibility outside the business environment.

The management of CSR activities in manufacturing companies is still using a self-managed model by the company and is managed by an institution established by the company and managed CSR management models such as CSR activities towards corporate environments, CSR activities in the form of health facilitation, transfers to employees whose homes are far from corporate locations, education and training. However, with the limitation of the allocation of funds so that those involved in the activity are still not maximal. As for the community outside the company. The CSR Activity outside its management company is submitted by the institution that is formulated by the company. The CSR program outside the company provides assistance in the warnings of national and religious holidays, renovation of places of worship, and empowerment of the economic community. Third, the Planet, for sustainability and the preservation of the earth, manufacturing companies have pursued CSR programs for environmental concern and sustainability of biodiversity. Some CSR programs that are based on

this principle of the company are greening the environment, providing clean water facilities, repairing especially the public lavatory, development of tourism.

Concerning the implementation of CSR in manufacturing companies as a whole have applied the principles of the pyramid from Archie B. Carrol. However, the obstacles are the first, the limited funding for the activity is still lacking. There is no explicit provision for the budget allocation used for CSR activities, and secondly, with oversight of CSR programs from limited policymakers, there has been no CSR program synchronization with regional development. Thirdly, CSR programs implemented by manufacturing companies are still less targeted, and their implementation is still less than maximal. Fourthly, CSR activities in manufacturing companies are mostly managed by internal companies, community involvement in management is still lacking, people are just objects and not subjects, resulting in CSR activities that are unacceptable to the public. Fifth, about the evaluation of CSR activities, does not all involve the community cannot know the community, the development of the CSR program's accessibility.

Related to the implementation of the CSR program in MSMEs in Central Java, in principle, they have not fully understood the CSR program. MSMEs in understanding CSR are limited to their participation in helping the community around their place of business. Moreover, the targets of the CSR program in MSMEs are more religious activities and infrastructure assistance around the business. They have not fully applied the principles of the pyramid delivered by Archie B. Carrol. From the management side of the CSR program is still fully managed by the company's internal, and the allocation of funds still has no definite budget planning.

### **The impact of corporate social responsibility on community welfare**

According to Law No. 11 the Year 2009, social welfare is the condition of the fulfillment of the material, spiritual and social needs of citizens in order to live worthy and able to develop themselves and to fulfill their social function. Hence, the purpose of social welfare implementation is; First, to increase welfare level; quality, and survival; Second, to restore social function in order to achieve independence; Third, to increase society's social resilience in preventing and addressing social welfare issues; Fourth, to enhance the capacity, social care and social responsibility of the business world in institutional and sustainable social welfare; Fifth, to enhance the community's ability and concern in managing social welfare institutional and sustainable; Sixth, to improve the quality of management of social welfare.

From the explanation of social welfare in a broader sense includes various human actions to

achieve a better standard of living. The living standard is better not only measured economically and physically but also observes the social, mental and spiritual aspects of life. Social welfare is defined as a prosperous condition of a society, and its general social welfare includes the health, economic conditions, happiness and quality of life of the people.

Corporate social responsibility is a reflection of all companies considered the core of business ethics is that companies have not only the economic and legal obligations of the shareholders but also the obligations of other stakeholders. However, more than these obligations, because the company is unlikely to be able to run the company itself without assisting others. CSR Program is one of the policies for the company in making decisions related to ethical values, compliance with rules and legal decisions and respecting people, society and the environment. There are some points that need more attention in the implementation of the CSR program among them are corporate governance, corporate concern for the environment, working environment conditions and company eligibility standards, harmonious relationships between companies and the company's social investment. Therefore, corporate social responsibility is not only in the fields of social and economic development but also in the environment.

Related to the impact of CSR activities on the community around the company are:

- Poverty reduction by utilizing workers around their companies allows contributions to the rise in labor force numbers, and by creating jobs, providing training, providing community production results, it will directly impact those groups.
- Advanced education standards by providing scholarships to those who really need and assist in the development of educational facilities and infrastructure, especially for basic education.
- Improve health standards by providing health infrastructure especially for the surrounding community. For example, by providing clean water facilities, or by opening a health clinic that does not apply to its employees only, but also for the surrounding community.

Central Java provincial government in 2018 has set the local budget to reach IDR 24,971 trillion or up around 0.04% of the local expenditure in 2017 which is IDR 23,955 trillion. The increase has brought the society to be more prosperous than it is from the community's participation — the company as part of the stakeholder in the development of the goal whose purpose is prosperity. One of the company's participation is to create an appropriate CSR program for its goals.

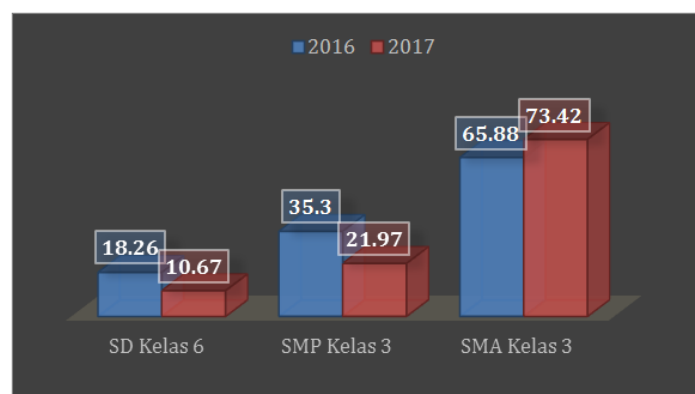
Related to the impact of the CSR program in Central Java Province based on data from the economic

sector of Central Java province in 2017 reported in 2018, shows that something is interesting where the number of companies reporting CSR activities has 52 companies with a total of IDR. 24,750,685,500, - whose provisions are largely used for compensation and development of places of worship. Although there is also an activity program for community empowerment from PT. Semen Indonesia (Persero) Tbk was amounting to IDR. 6.787.000.000, - whose implementation is done in Rembang and Gresik regency, and from that data, if linked to the impact of CSR activities in Central Java Province shows the following results:

First is the impact of poverty reduction, based on the data of the Central Bureau of Statistics taken on the website <https://jateng.bps.go.id/> the poverty rate in the Central Java province decreased by an average of 0.75% in the last 3 (three) years. However, per capita expenditure per month in Central Java in 2017 is IDR 311,310, still below which has been set by the Central Bureau of Statistics which issues a poverty line of IDR 387,160 per capita per month. While in 2018 the BPS also issued a poverty line of IDR 401,220 per capita per month in March 2018. Related to the data in Central Java when referring to the limitations of poverty released by the Central Board of Statistics then it is per capita expenditure is still below the minimum poverty rate it means there are still many people in Central Java who are under poverty. When observed from the labor force in central java there is still 4.6% open unemployment. It is an issue for the central java provincial government to reduce open unemployment. In addition to the government, the burden of handling open unemployment is also the company's moral responsibility in the province of Central Java, with its

CSR fund allocation to address such unemployment through community empowerment.

Second, the impact of improving education standards. Education is one of the benchmark components to determine the competitiveness of the nation, the higher the level of public education in a nation, it will increase the competitiveness of the nation. Related to the government policy that regulates mandatory education for nine years, data from the Central Bureau of Statistics of Central Java shows that drop out rates in elementary, junior and high school education is still high. In Table-1. It can be illustrated that in 2017, the percentage dropout rate in elementary school was decreased by 7.59% when compared to 2016, in junior high school there was also a decrease of 13.33%, and at high school level there was an increase of 7.54% when compared to 2016. Thus, the dropout rate at elementary and junior high school education declined means that the 9-year education program in the province of Java is successful, as it can suppress the drop out rate. However, for high school education level equals an increase. In this case, one of the causes is the cost of education that is unaffordable, and parents are more concerned with family needs. It affects children who are dropped out of school and encouraged by parents to work to help the family economy. The relationship with CSR program of the company, CSR program activity targets in the field of education has not yet been able to boost dropout rates in central Java, and in the future, the company should create a CSR program. The goal is dropping out children who are given training on specific skills that are sustained, meaning not only training but to be provided with funds for working capital. The more important is that after being given training, capital and it should be monitored and accompanied until fully- can be independent.



**Fig-1: Dropout rate by education level (percent)**

Source: Data Central Bureau of Statistics of Central Java, the Year 2018

Third, improving health standards, Improving the quality of life of the population is one of the aspects in efforts to improve the welfare of the population. The physical quality improvement of the population can be seen from the overall health status of the population. The development program in health is also aimed at

improving the health status and status of the population. Increasing the degree of health is expected to increase the productivity of the population to achieve prosperity. Improving the quality of life of the population is one of the aspects of improving the welfare of the population. The physical quality improvement of the population can

be seen from the overall health status of the population. The development program in health is also aimed at improving the health status and status of the population. Increasing the degree of health is expected to increase the productivity of the population to achieve prosperity.

The state of the population's health at one time can be used to give an idea of the health status of the population in general. About efforts to improve welfare, health status affects productivity level. To measure the level of health of the population can be seen from the number of people who are experiencing health complaints and the figure of pain. The rate of pain is

defined as the percentage of people experiencing health disorders and interrupted their daily activities that occurred during the month before enumeration. More and more people who suffer from health problems and suffer from illness mean lower levels of health in the region. If seen in Table-2, the health complaints of Central Java population show 34.36 percent in 2018. This percentage is increased when compared to the percentage of people experiencing health complaints in 2017 by 32.72 percent. If seen based on the living area, the percentage of urban residents suffering health complaints is higher than the rural population, i.e., 34.95 percent and 33.73 percent respectively.

**Table-2: Percentage of people who had a health complaint in the past month, and the number of illnesses according to the living area in Central Java, 2017-2018**

Details	Urban		Rural	
	2017	2018	2017	2018
% Health complaints	32.83	34.95	32.62	33.73
% Number of illnesses	15.80	14.72	16.23	15.60

Source: Data Central Bureau of Statistics of Central Java, the Year 2018

From the above explanation then there is a difference in the percentage of the population who complain of health and the number of illnesses in urban areas in the countryside. It can be concluded that in urban areas the level of density and the increasing level of industrial development which affects the public health. Related to the data, companies in operating the company have not fully paid attention to the level of health available around the company. Therefore, in the future, the company should pay attention to the level of employee health and community around the company through the CSR program.

## CONCLUSION

All the impacts that have been outlined on the implementation of the CSR program have not yet fully realized the welfare of the community. in that case regardless of the constraints faced by the implementation of the CSR program such as;

- The company's low commitment to implementing CSR programs on an ongoing basis. They assumed that the CSR program limited the funding to a program in the community.
- There was mistreatment of the CSR activities planning program and its implementation. In this case program planning with different policy owners of companies where the policy is influenced by several factors such as central and regional government policies.
- The lack of accuracy in the deployment of personnel handling the CSR program results in inconsistency with the company's concern.
- Duplicate positions in the structure of the organization that have an impact on making a deliberate decision.

From the above constraints, in order to make the CSR program, a succession approach with the term "CARE" which means caring, besides that CARE stands for "C (Commitment, Competent, Consistent), A (Accountability), R (Responsive), E (Effective).

First, (Commitment, Competent, Consistent). Commitment, the success of CSR starts from the commitment of the owners and managers of companies to apply CSR as an inherent corporate culture, and as the value of competitive advantage generated by considering social and environmental elements. In this case that the CSR program is sustainable. In addition to the owners and managers of the company, the commitment must also be held by the community that is targeted by the CSR program. Do not let the CSR program be limited to the project from the company. Competent, in managing the CSR program by competent personnel, do not mistake personally. Consistent, the company implements CSR programs with planned and budgeted within the company budget. The CSR program cannot be done instantly, with its CSR performed is expected to benefit all parties.

Second, accountability, this accountability is not only accountable for the achievement of the company's goals as profit alone but the corporate responsibility for the impact of the company's operations. It means the company is responsible for employees and the community around the company for the impact of its operations.

Third, responsive, the company should be responsive to the circumstances that occur inside and outside the company over the emerging symptoms. In addition to being responsive to the situation, the company should be responsive to government policy.



Fourth, effective, the CSR program must be effective, the purpose of the program is implemented in line with the central and regional government policies to realize the welfare of the community. With the synchronization of the program, it is hoped that there will be no overlapping of its programs in order to be directed and measured by its success.

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