# PROCESS COMMUNITY EMPOWERMENT CSR BASED KEK PROGRAM MANDALIKA RESORT IN CENTRAL LOMBOK

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#### **ABSTRACT**

The existence of Corporate Social Responsibility (CSR) as a model in the midst of the state and society has become an increasingly important and relevant phenomenon. CSR is an approach in which companies actively consider the social, environmental and economic impacts of their activities, and seek to make a positive contribution to the surrounding community and environment. The research aims to describe and analyze the CSR-based community empowerment process in the KEK Mandalika Resort in Central Lombok. The type used is qualitative research, data collected by interviews and documentation and analyzed interactively according to a qualitative approach. This research obtained the results of the empowerment process that had been carried out through a process of collaboration between local government - private - community and non-governmental organizations. Corporate Social Responsibility (CSR) financial assistance is provided to empower the community's economy through sustainable tourism development. The inhibiting factors are natural or geographical conditions which are still a big challenge, infrastructure that is still not supportive, and human resource capabilities that are still not supportive. Meanwhile, as a supporting factor is the existence of considerable attention from the local government. There is adequate attention from private parties and non-governmental organizations, as well as community participation which has begun to grow. In order to achieve the long-term goal of increasing regional capacity in increasing income and improving the socio-economic life of the community, it is necessary to increase the capacity of human resources, community institutions, and more optimal cooperation.

Keywords: Community Empowerment, Corporate Social Responsibility, Special Economic Zones, Social Economic Welfare

## I. INTRODUCTION

The early existence of CSR as a model of empowerment in its business scope shows the company's concern for its social responsibility regardless of obligations (mandatory) or concern (philanthropy). In running a business, companies based on research results recognize that their business has a significant influence on the company, society and the surrounding environment. By involving themselves in CSR activities, companies can help build a better society through programs such as education, health, environment, and economic development (Estafianto, 2014), According to Afiansvah (2015), the World Bank defines Corporate Social Responsibility (CSR) as "the company's commitment to behave

ethically and contribute to sustainable development through collaboration with all relevant stakeholders to improve their lives in ways that are good for the company's business, sustainable development agenda, and society in general (Anggito & Setiawan. 2018).

For State-Owned Enterprises (BUMN) these provisions are Social and Environmental Responsibility (TJSL) obligations listed in Law Number 40 of 2007 concerning Limited Liability Companies by providing a clear legal basis for BUMN companies whose activities are related to natural resources. to carry out CSR programs. TJSL was the forerunner of the Small Business and Cooperative Development Program (PUKK) in 1990. As a response to this provision, various parties had diverse attitudes and there was no common point (Mardikanto, 2014). Several government companies or BUMN have taken proactive steps in implementing TJSL. According to Azheri (2012), they consider CSR as an integral part of their business strategy in implementing programs that focus on sustainable program activities related to community empowerment, the environment, and the company's business profits (people, planet, provit) with the ultimate goal of achieving increased overall quality of life.

The results of Estafianto's research, (2014) at PT Pertamina showed that the CSR program went well with top-down planning, a community empowerment approach, and direct monitoring. This program has a positive impact on education, economy, health, environment, and infrastructure. Even though there were constraints on local potential, the CSR program managed to overcome these obstacles. Overall, the CSR program provides significant benefits to society and is an example of success in implementing corporate social responsibility. Research by Khuong et al., (2021) shows that stakeholder influence not only has a significant effect on the type of CSR, but also has a positive impact on company reputation. In addition, CSR performance in legal, ethical, environmental and philanthropic responsibilities except economic responsibilities has a significant influence on corporate reputation. Based on these findings, this research regards CSR performance as a valuable value.

To achieve this expectation, the government has issued Minister of State-Owned Enterprises Regulation Number: PER-05/MBU/2007 concerning the Partnership Program for State-Owned Enterprises with Small Businesses and the Community Development Program. More specifically, the form of CSR as a form of annual activity that must be carried out by companies that are regulated in legislation and based on national regulations related to these activities on May 25 2015 quoted from the website (TNP2K, 2015) confirms that BUMN, regulated through regulations Article Article 2 (a) and 88 of Law no. 19 of 2003 dated 19 June 2003 concerning State Owned Enterprises and Regulation of the Minister of State for State Owned Enterprises No. Per-05/MBU/2007 as last amended by Regulation No. PER-08/MBU/2013 dated 10 September 2013. This law regulates the framework for CSR obligations for BUMN. This framework is referred to as the Partnership Program & Community Development Program (Mulyana, 2017).

The company's success in carrying out CSR activities is certainly not as easy as turning the palm of the hand, challenges and obstacles are parts that cannot be avoided, however according to Kartini (2013) that there are eight key performances that must be met in implementing CSR. important indicators of CSR or TJSL activities in State-Owned Enterprises (BUMN). Kehik (2018) states that a community empowerment strategy cannot be implemented if it is not accompanied by a number of sources of authority, management, programs and financing. In this regard, community empowerment must be based on the assumption that the community is the owner of the authority as well as the actor who determines the needs and strategies to achieve these needs.

## II. LITERATURE REVIEW

Smith and Timothy (2019) emphasize the importance of community empowerment through corporate social responsibility (CSR) in tourism development. They point out that through

CSR programs that focus on community empowerment, tourism companies can play a significant role in increasing local community participation, increasing economic prosperity, and protecting cultural heritage in tourism destinations. In addition, Wahyuni and Pramitasari (2020) in their research revealed that the contribution of CSR to sustainable development in tourism areas is very important. In their study, they found that through CSR programs that focus on environmental, social, and economic aspects, tourism companies can help achieve sustainable development goals, such as protecting the natural environment, improving people's quality of life, and preserving local culture. Widayati and Kurniawan (2021) examined the impact of CSR programs on community empowerment in rural areas. The results of their research show that through CSR programs that are oriented towards developing the local economy, increasing community participation, and preserving culture, tourism companies can make a significant contribution to community empowerment in the region (Castilla, 2005)

According to Davis (2020), CSR can be an effective tool in promoting community empowerment. Through CSR programs that focus on education, training, job creation, and local economic development, companies can help communities improve their quality of life and improve the social conditions around them. Then Gupta (2019) highlighted the importance of active company involvement in community empowerment through CSR programs. Through partnerships with local communities, companies can build mutually beneficial relationships, listen to the needs and aspirations of the community, and ensure that the CSR programs implemented are in accordance with the context and needs of the local community. Pramanik and Rath (2021), stated that companies that implement CSR well have a positive impact on community empowerment. Through CSR programs that are transparent, measurable and sustainable, companies can create an environment that allows people to actively participate,

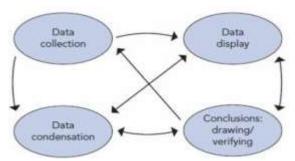
According to Rahardjo (2018), community empowerment involves providing skills, knowledge and resources to individuals and community groups to overcome challenges and achieve development goals. Through empowerment, people can gain control over their own lives, be involved in decision-making processes that affect them, and play an active role in influencing development in their environment. Keyware (2013), operationally explains that the philosophy of CSR implementation is to contribute to sustainable community development as an effort to corporate value. through communication with increase all stakeholders (owners/shareholders. customers. suppliers, employees, government and local communities).

Untung (2014), states that the purpose of community empowerment is essentially to increase ability, encourage will and courage, and provide opportunities for community efforts to develop self-sufficiency with or without external support for the realization of improved welfare (economic, social, physical and mental). sustainably . According to Mubarak (2010) community empowerment can be interpreted as an effort to restore or increase the ability of a community to be able to act in accordance with their dignity in exercising their rights and responsibilities as members of the community. Jimu, (2008) states that community development is not only limited to a theory about how to develop rural areas but has a meaning which is the possibility of development at the community level. Community development should reflect community action and awareness of self-identity.

## **III. RESEARCH METHODS**

This research is about the CSR-based community empowerment model for the KEK Mandalika program. This type of research uses qualitative research in order to be able to dig up in-depth information. Data was collected using interviews and documentation. The informants for this study were competent parties, namely local government officials, company leaders or representatives, sub-district and village government officials, community

empowerment agencies, community leaders, youth and non-governmental organizations and the local community. Data were analyzed using an interactive model, namely; data collection, data display, data condensation and conclusion drawing/verification. The analysis model is described as follows.



Gambar 1. Model Analisis Interaktif Sumber: Miles dan Huberman (2014)

This research is also supported by the validity of the data, which consists of; 1). Degree of trust (credibility) researchers carry out activities that support. To support this, researchers also coordinate and consult with supervisors, as well as discuss with colleagues; 2). Transferability, the degree of transferability can be achieved through careful, detailed, thick or in-depth descriptions and the existence of similar contexts between the sender and the recipient; 3). Dependability, so that the degree of reliability can be achieved, it is necessary to have an audit or careful examination of all components and research processes and their research results; and 4). Certainty (comfirmability), namely objectivity based on emic and etic as a qualitative research tradition. This degree can be achieved through an audit or careful examination of all components and research processes and research results.

## IV. RESULTS AND DISCUSSION

Central Lombok Regency is one of 10 regencies/cities under the coordination of the Provincial Government of West Nusa Tenggara with the regency capital being in Praya. Historically, Central Lombok Regency was formed based on Law no. 69 of 1958 concerning the formation of Level II Regions in the Level I Regions of Bali, NTB, NTT which was passed on August 14, 1958. Furthermore, after 37 years of carrying out its duties and functions as a regional government institution, based on the Ministry of Home Affairs No. 8 of 1995, Central Lombok Regency received an award from the Central Government, which was appointed as one of the pilot autonomous regions in the West Nusa Tenggara region.

Table 4.1. Number and Origin of Tourists in Central Lombok Regency

No	Mancanegara	Amount	Nusantara	Amount
1	Australia	5,379	DKI Jakarta	5,982
2	Prancis	2,615	Jawa Barat	1,475
3	Jerman	1,428	Jawa Timur	864
4	Inggris	864	Bali	651
5	Amerika Serikat	741	NTB	593
6	Singapura	524	Banten	354
7	Italia	345	Jawa Tengah	336
Total		11,896	Total	10,255

Source: : Disbudpar Kabupaten Lombok Tengah, 2023

The number of foreign tourist visits claimed by the Regional Government has exceeded the target of 11,000 foreign and domestic tourists. However, according to information provided by the private sector that this target is still insufficient, the government should

make more of it. There are several things that might be taken into consideration, such as facilities and infrastructure that are still inadequate and other support that is seen as having a relationship with tourism activities.

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In connection with the CSR-based community empowerment process at KEK Mandalika Resort in Central Lombok, based on information obtained from informants as presented in the following table.

Table 4.2. Information on CSR-based community empowerment processes KEK Mandalika Resort in Central Lombok

No	InformanT	Tingkasan Hasil Wawancara
1	Local government	Terkait pemberdayaan masyarakat melalui dana CSR yang basisnya wisata ini bisa dikatakan bahwa sudah berjalan dari awal pembangunan Pantai. wisata pantai juga membuka lapangan pekerjaan untuk masyarakat setempat dan karyawan dari perusahaan. Sehingga CSR adalah suatu pemberdayaan ekonomi masyarakat yang harus ditingkatkan. Program CSR memberikan manfaat yang signifikan bagi masyarakat dan menjadi contoh sukses dalam pelaksanaan tanggung jawab sosial perusahaan.
2	Village government	Pemdes tries to support every activity including in this case CSR, because it has an important and big role in building the economy. The empowerment process is structured in an adjusted plan, socialization is carried out and seeks to build community participation.
3	CSR Provider Company	CSR as an empowerment model in its business scope shows the company's concern for its social responsibility regardless of obligations (mandatory) or philanthropic concerns. In running a business, companies based on research results recognize that their business has a significant influence on the company, society and the surrounding environment. By engaging in CSR activities, companies can help build a better society through programs such as education, health, environment, and economic development.
4	Public figure	This community empowerment can be said to have been running with this beach, apart from reducing the unemployment rate in our village. This is also useful for the Koran teachers in our village, usually the Koran teachers in our village do not have a salary to teach, but the existence of this beach has provided an empowerment, one of which is giving salaries to teachers of the Koran from a separate beach turnover. Therefore, as a community, I say that the development of the beach, which is assisted by the Corporate Social Responsibility (CSR) Fund, is very useful in empowering the economy of the village community.
5	Non-governmental organizations and companions	The empowerment process is not only concerned with profits but also must pay attention to the local environment. Culture is important in the approach and empowerment of rural communities in Indonesia because in general they follow what has become local custom so it is easier for them to manage it. Communities can feel the results of the empowerment program carried out by the company through

		CSR, and can provide benefits to improve economic and social welfare.
6	Masyarakat	The empowerment program carried out through the Mandalika KEK CSR in general has been going quite well, the results are already visible and can be said to be able to increase economic and social welfare. involved, some are not supposed to be involved but are involved, so this program must be evaluated so that the goals, objectives and steps are more optimal in improving economic and social welfare.

In the stages of the village community's economic empowerment process through Corporate Social Responsibility (CSR) funds in the construction and development of beach tourism, it is necessary to strengthen business partnerships, while the form of strengthening business partnerships is in the form of small discussions with BUMDes, then holding BUMDes meetings with companies, finally conducting a skill guide training (skill guide) and MSME training, so that there is capital provided by the company for the construction of a central café. The central café is able to empower the economy of the village community because it makes it easier for people to find work and sell their products. In the process of managing Corporate Social Responsibility (CSR) based on Desa Beach tourism, it is necessary to have a stage to achieve certain goals. The village was selected as the recipient village of the Corporate Social Responsibility (CSR) program from the company because it had fulfilled the requirements to get this assistance. the following are some of the requirements in determining the recipient of the Corporate Social Responsibility (CSR) program. Companies must be able to prioritize an activity for those who really need it than those who want it. The activities provided must also benefit the community.

Corporate Social Responsibility (CSR) assistance from companies is given to the village so that it can empower its economy in the form of employment in accordance with the activities of the village community, such as collaborating in a system of buying and selling fish from village fishermen to produce as a food menu for the central cafe of the beach, central cafe waiter, clerk parking, tourist guide. Everyone can do this work, especially the village community to be able to empower their economy with the help of CSR funds for the development of beach tourism. Of the three requirements for obtaining the Corporate Social Responsibility (CSR) program above, it is also necessary to have stages in managing tourism-based Corporate Social Responsibility (CSR) in particular.

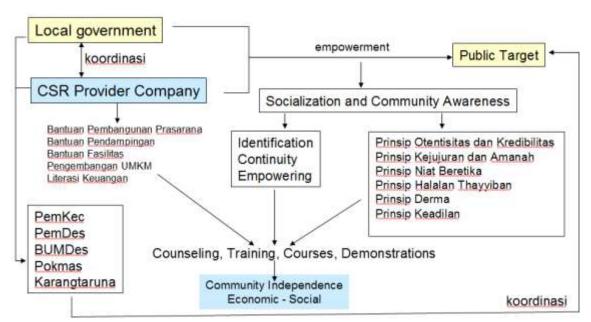


Figure 2. Community Empowerment Process
CSR-based at KEK Mandalika Resort in Central Lombok

Empowering the community to foster initiative, creativity and a spirit of independence in carrying out welfare improvement activities in their neighborhood, especially in the community's economy. Many efforts to foster community participation in economic empowerment. However, different professions and even individual community backgrounds have differences in participation.

Masyarakat mayoritas berprofesi sebagai nelayan, sehingga mempunyai masukan untuk perusahaan yang selama ini membantu dalam pembuatan perahu untuk nelayan yaitu perusahaan penyarur SCR. Dalam hal ini juga perlu adanya proses agar pemberdayaan tersebut tepat sasaran, dalam artian membantu meningkatkan perekonomian masyarat. Sebagaimana sesuai dengan gambar di atas ada 5 proses pemberdayaan, diantaranya: Diskusi kecil dengan BUMDes, agar dapat memaksimalkan program yang akan dilakukan, rapat BUMDes engan perusahaan penyarur SCR, untuk menjalin sinergi atau kerjasama dalam penentuan program, pelatihan *skill guide*, memaksimalkan potensi dari masyarakat, pelatihan UMKM, agar masyarakat tetap menegerjakan sesuatu yang deprogram sesuai dengan kesehariannya yaitu sebagai UMKM dan yang terakhir adalah pemberian modal, untuk mengimplementasikan program dalam pemberdayaan perekonomian masyarakat. Masyarakat memiliki inisiatif untuk Desa membuka suatu usaha pariwisata, sehingga perusahaan tersebut memberikan sebuah bantuan dana yaitu *Corporate Social Responsibiity* (CSR) untuk pengembangan usaha pariwisata.

In this case, the researcher found a finding in the process of empowerment and also differences in terms of cooperation, in which in this study the company collaborated through BUMDes which manages the tourism, but the person in charge still remained with the company. Corporate Social Responsibility (CSR) financial assistance is provided to empower the community's economy through sustainable tourism development. As according to the Decree of the Board of Directors of PT. Java-Bali Power Plant Number: 065.K/010/DIR02013 concerning Guidelines for the Implementation of Social and Environmental Responsibility in SCR supply companies, article 2 regarding the scope of paragraph 1 which states; "The scope of Corporate Social Responsibility (CSR) regulated in this decision is related to the environment and community involvement and development". In this case, beach tourism with the help of Corporate Social Responsibility (CSR) funds is able to maintain or preserve the environment and is able to

empower people in the economic sector. One of them is reducing the unemployment rate by creating new jobs.

Hasil riset peneliti menemukan suatu hal ketertarikan dalam pemberdayaan ekonomi masyarakat melalui dana *Corporate Social Responsibiity* (CSR) berbasis wisata di Pantai. Salah satu contoh imbasnya adalah adanya injeksi dana terhadap guru ngaji yang ada Setiap perusahaan dalam menjalankan operasinya tentu memiliki rumusan-rumusan yang telah dirancang organisasi yang nantinya akan dilakukan untuk mencapai tujuan. *Corporate Social Responsibility* (CSR) merupakan satu hal yang tidak bisa dipisahkan dari perusahaan, dalam praktik *Corporate Social Responsibility* (CSR) perusahaan harus menjadikan prinsip keadilan sebagai landasan dalam merumuskan program-program *Corporate Social Responsibility* (CSR). Sesuai dengan pedoman pelaksanaan tanggung jawab sosial dan lingkungan di PT. Pembangkit Listrik Jawa-Bali, pasal 3 tentang asas, maksud dan tujuan, ayat 1 poin (c) yang berbunyi perilaku etis, berarti pelaksanaan CSR dilakukan dengan prinsip kejujuran, keadilan dan integritas.

#### V. CONCLUSION

Corporate Social Responsibility (CSR) financial assistance is provided to empower the community's economy through sustainable tourism development. The existence of CSR funding assistance with channeling companies creates management in the form of corporate strategic plans and social mapping to be able to determine an appropriate activity. As for those involved in social mapping, the groups deemed necessary include; Bumdes, Pokdarwis, Pokmaswas, Karang Taruna Youth, communities, companies, local government.

The process can run quite smoothly but has not been able to achieve optimal goals in increasing the ability of the region to achieve the targeted income, has not been able to increase the distribution of economic welfare and social life of the community. Community involvement and participation in the Mandalika KEK CSR-Based Community Empowerment program is not limited to being an object that determines the existence and success of the Dayaku Gate program for the urban poor. In addition to acting as recipients of aid funds and program implementers, the community also functions as an institution that plans as well as monitors and controls the course of the program.

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