

IMPLEMENTATION OF CORPORATE SOCIAL RESPONSIBILITY WITH THE CONCEPT OF SUSTAINABILITY

Safuan ¹, Ismartaya ^{2*}, Indah Permata ³ and Darmawan Apriyadi ⁴

¹ Esa Unggul University. Email: safuan@esaunggul.ac.id

² Prodi Manajemen Fakultas Ekonomi Universitas Djuanda.

*Corresponding Author Email: ismartaya@unida.ac.id

³ Direktorat Jenderal Potensi Pertahanan Kemhan RI. Email: indahunj@gmail.com

⁴ Fakultas Manajemen Dan Bisnis Institut Transportasi Dan Logistik Trisakti Jakarta.
Email: darmawan.apriyadi@itltrisakti.ac.id

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Abstract

The purpose of this study is to find out how the application of corporate social responsibility at Koja Container Terminal is in accordance with the standards listed in ISO 26000. The research technique used in this study is a qualitative technique with a case study method. Where the study spot was carried out at Koja Container Terminal. Data collection is carried out by interviewing the parties responsible for CSR activities and other related parties such as employees, company leaders and the surrounding community. In addition, the necessary documents were also collected to be processed, analyzed and described in the discussion. From the results of the analysis, it is known that Koja Container Terminal has a concept in implementing CSR with the Triple Bottom Line, namely the concept of sustainability where there are three important pillars that must be fulfilled in implementing CSR, namely people, profits and planet. Of the three concepts, Koja Container Terminal has implemented CSR by adopting ISO 26000 even though in its implementation the Container Terminal does not yet have ISO 26000 certification and the results of the CSR implementation are more targeted and in accordance with the principles of CSR standards in the world.

Keywords: Corporate Social Responsibility, ISO 26000, Sustainability.

INTRODUCTION

The implementation of corporate social responsibility is an obligation for the company to balance the interests of the company and the impact caused by the activities carried out by the company, both the impact on people, the planet and the profit itself. Of course, the company wants a sustainable business, one way is to pay attention to the communities around the company who are affected either directly or indirectly due to the activities of the place of business / company. (Zaidan Prayuda and Praditya 2020).

Koja Container Terminal is a company in the form of a joint operation between PT Pelabuhan Indonesia II (Persero) or known as IPC and a company from Hong Kong, namely PT Hutchison Port Indonesia (Safuan 2016), which is affiliated with Hutchison Port Holding, a holding company engaged in the Container Terminal business. From the existing business background, it is interesting to be used as research, namely how Koja Container Terminal is responsible for the social impacts caused by the activities carried out on the environment around the company. And how do companies distribute CSR funds so that they are right on target in the sense that those who receive CSR funds are the rightful parties in accordance with the CSR concept known as the Triple Bottom Line, namely the concept of sustainability where there are three important pillars that must be fulfilled in implementing CSR, namely people, profits and planet. (Pereira and Martins 2021)

RESEARCH METHOD

This study aims as a step taken to achieve the research objectives. This study is a qualitative technique with a case study method (Rashid et al. 2019). Where researchers collect data through direct observation and conducting interviews with authorized parties and requesting data, both primary and secondary data, such as CSR activities, CSR budget data, and others. After the data is obtained, the researcher performs data processing, then the data from the processing results is analyzed to see whether the data is appropriate and can be used as a reference for answering research questions so that conclusions can be drawn from the discussion of the problems being studied. (Prihatsanti, Suryanto, and Hendriani 2018)

RESULTS AND DISCUSSION

Koja Container Terminal social responsibility implementation is an integral segment of good corporate governance (Yuliasuti and Tandio 2020) implementation. The social responsibility is implemented with the impartial to put the Business's main priority by the interests and needs of the Stakeholders. In the process of implementing social responsibility, Koja Container Terminal has formulated and considered that the impact of corporate social responsibility is in accordance with issues related to sustainable development that take into account the triple bottom lines (people, planet, and profit) (Wicaksono and Sukoharsono 2015) as benchmarks in developing schemes for corporate social responsibility.

The schemes for corporate social responsibility are integrated with 7 core subjects in ISO 26000 (Herciu 2016) as a reference in carrying out social responsibility: Governance, Employment Systems, Human Rights, Customer Rights, Fair Operations, Involvement in Community Development, and the Environment. In preparing the program, Koja Container Terminal made a mapping to classify which stakeholders to be addressed with a social responsibility program. (Fordham and Robinson 2018) This process includes identifying program beneficiaries, understanding the social and economic issues that exist in the region along with their potential and risks, as well as formulating efforts to manage the direct and indirect impacts of Koja Container Terminal's business activities.

The company appoints the Public Relations and social responsibility functions who report directly to the Corporate Secretary as the function with the responsibilities to plan, manage, implement, monitor, and evaluate the Company's social responsibility activities. (Koja Container Terminal 2021).

This function also has a strategic role as a communication liaison between Koja Container Terminal and the community. This is conducted to ensure that the community's hopes and expectations for the social responsibility program can be conveyed to Koja Container Terminal through a function that is responsible for the social responsibility program. Therefore, communication between the community and the Company is effective and good relations are established between Koja Container Terminal with the community and the government as the impact of the social responsibility programs. (Hakim and Nugroho 2014). In carrying out the operations of Koja Container Terminal, there are various impacts that occur after the business actions.

This definitely does not only influence the Business's sustainability materially, but also advance various impacts like these activities continue and the decisions are made by Koja Container Terminal. This influence can disturb the success of goals like the factors in sustainable development.

Koja Container Terminal is interested of the importance of managing public community risks that occur from the Company's business activities. Risk management is a central part of the overall business operational process of Koja Container Terminal. Risk management (Santoso et al. 2020) controls and supervises business activities, including quality assurance, occupational safety and health management system (OHS), from prevention, detection, to mitigation, to ensure that Koja Container Terminal's activities meet the ethical standards and Regulations. The objective of Koja Container Terminal's Operations is as a reliable container terminal service provider.

Therefore, to have better reputation, Koja Container Terminal, through social responsibility programs, always commits to providing optimum, safe, and efficient services. However, the Company's achievements are not only quantitative. The presence of Koja Container Terminal is able to be a means for achieving sustainable development goals, especially in providing benefits to the environment and society. In carrying out business activities, Koja Container Terminal is very aware of the importance of preserving the environment. All Business's personnel are needed to understand the impact of business activities that can affect the ecosystem directly or indirectly.

Therefore, Koja Container Terminal made policy as a form of commitment of the Business's concern to the environment as preventive measures. The implementation of the security, occupational health and safety program in the work environment is a manifestation of the Koja Container Terminal's efforts in anticipating environmental impacts due to business activities.(Kee et al. 2020). In carrying out the business activities of Koja Container Terminal, there are various risks that will have an influence on the situations of the society, the environment, and the economy in overall. These issues are:

Table 1: Topics Associated to Managing the Influence of the Company's Business Activities

ISSUE	EXPLANATION
Customer	<ul style="list-style-type: none"> • Providing services with good quality standards to internal and external customers; • Respecting customer rights in accordance with applicable laws and regulations; • Fulfilling the Company's commitment to price, time, and quality of service; • Receiving, servicing, and handling customer complaints regarding the Company's performance.
Employment and OHS	<ul style="list-style-type: none"> • Equal opportunity for all human resources without judgments to ethnicity, religion, race, and inter-group relations (SARA), seniority, or gender; • Improved HR's competence and character; • Work safety
Environment	Maintaining environmental sustainability and minimizing environmental impact on the Company's business activities.
Human Rights	Strengthening industrial relations through respect for human rights and obligations in accordance with applicable regulations.
Fair Operations	Professional competence and integrity that are reliable in the Company's business activities.

In managing Koja Container Terminal's social responsibility, the decision to implement social responsibility is made based on the decision of the Stakeholders, in which all the initiatives related to the issue are outlined and formulated into the social responsibility program.

This is to ensure that all Stakeholders understood the direct and indirect impacts, i.e., the environmental, monetary, and social influences of the business process activities.

This will certainly impact the Company's policymaking, which is relevant in accordance with the Triple Bottom Lines aspects. The social responsibility agenda is proposed to support and contribution in improving the society welfare and the ecosystem's development nearby the Business.

The social responsibility programs take into account the objective of sustainable development goals and the sustainability of the program in the future. Funds for the social responsibility program originated from Koja Container Terminal's budget that has been approved by the Owner.

The social responsibility program has Rp.966, 204,624 as its budget. (Koja Container Terminal, 2018). Koja Container Terminal implements its operations by taking into account the stakeholders' rights. Koja Container Terminal ensures that all activities carried out in fostering relations with stakeholders do not violate internal regulations and prevailing laws and regulations, by upholding fairness and without conflicts of interest. The strategy is often appraised and informed allowing to the development of significant concerns.

Table 2: Scope of Fair Operating Performance and Policies

Scope	Policy
Anti-Corruption and Bribery	Company's Code of Conduct Guidelines on Gratification & Whistleblowing System Management of the Koja Container Terminal
Responsible Political Involvement	Company's Code of Conduct
Fair and Healthy Competition	Law of the Republic of Indonesia No. 5 of 1999 on the Prohibition of Monopolistic Practices and Unfair Business Competition Company's Code of Conduct
Social Responsibility in the Supply Chain	Koja Container Terminal's Management Decree No. 056/KSO-TPKK/SKM/GM/IX/12 on the Basic Provisions and Procedures for Procurement of Goods/Services
Intellectual Property Rights Protection	Company's Code of Conduct Law No. 28 of 2014 on the Copyright Part Two Article 40 Protected Works

Koja Container Terminal is committed to ensuring operational activities meet Human Rights (Turangan, Senewe, and Kumendong 2021) protection. This promise is recognized across the employment applies that take into account humanitarian values and guarantee there are no human rights violations, especially for employees.

Koja Container Terminal has various rules and guidelines to ensure that there is no exploitation of employees' rights to human rights.

Table 3: Scope of Human Rights (HAM) and Policies

SCOPE	POLICY AND REFERENCES
Non-Discrimination Practices	Code of Conduct on Ethics to Employees Law No. 13 of 2003 Chapter III Articles 5 and 6
Employees' Wages and Welfare Practices	Law No. 13 of 2002 Articles 88 and 92 Koja Container Terminal Management's Decree No. 019/KSO-TPKK/SKM/GM/III/18 on Income and Welfare Adjustment (COLA) for Koja Container Terminal's Employees Koja Container Terminal Management's Decree No.0041/KSOTPKK/SKM/GM/VI/2011 on Productivity Award Provisions to Koja Container Terminal's Employees
Work Training	Koja Container Terminal Management's Decree No. 0022/KSO-TPKK/SKM/GM/IV/11 on Employees' Education and Training
Freedom of Association	Law No. 13 of 2003 CHAPTER 11 Industrial Relations Articles 102, 103, and 104 Code of Conduct on Ethics to Employees
Job Security Practices (health, safety, and the community)	Procedure for the Occupational Health and Safety Management System of Koja Container Terminal SHP-TPKK- 18
Prevention of Child Labor	Law No. 13 of 2003 Articles 68 on the prohibition of child labor
Prevention of Forced Labor Practices	Law No. 13 of 2003 Articles 77, 78, and 79 on the working time

Koja Container Terminal is committed to creating a safe, healthy and environmentally friendly work environment, as well as providing workforce guidance to contribute optimally towards the achievement of the Company's goals.(Nagata et al. 2017). The qualified employees are the core process in Koja Container Terminal's business activities. The optimal performance of Koja Container Terminal is influenced by the productivity and loyalty of the employees.

The employees' health and safety are an important point in policies and regulations relating to Koja Container Terminal's operations, because of their position which determines the quality of service and the Company's reputation in the stakeholders' perspective. Koja Container Terminal consistently implements policies related to employment and OHS that guarantee the fulfillment of employees' rights to occupational health and safety by implementing various programs of Koja Container Terminal's responsibilities. Koja Container Terminal has OHS guidelines in the form of Occupational Health and Safety Management System Procedure No. SHP-TPKK-18, which refers to PP No. 50 of 2012.

These procedures include monitoring and assessing the work environment, achieving OHS goals and objectives, compliance with programs, operating criteria, monitoring of accidents, occupational diseases, incidents, and other OHS performance deficiencies. This procedure aims to ensure that the health, security, and safety of the working environment can be monitored and assessed regularly.

Koja Container Terminal has several employment initiatives: a) Included in the JKDK (Accident Insurance Outside Working Hours) program; b) BPJS Ketenagakerjaan (formerly jamsostek); c) JHT, d) JHK Join the BPJS program; e) Company health insurance; f) DPLK; g) OHS Program; h) Annual General Check-up Program.

In carrying out the Occupational Health and Safety Management System, Koja Container Terminal is determined to:

- a) Comply with all applicable commandments and policies;
- b) Control occupational health and safety risks by identifying, assessing, and evaluating;
- c) Consistently, prevent work accidents, injuries, and occupational illness;
- d) Commit to maintaining a healthy and safe workplace;
- e) Prohibit drugs and narcotics usage everywhere at any given time;
- f) Guarantee appropriate OHS standard for all contractors working for and on behalf of the Koja Container Terminal;
- g) Act quickly and responsively to all emergencies and coordinate with all stakeholders.

One of the Stakeholders that has an important role in the business continuity of Koja Container Terminal is the surrounding community within the Company. The communities are the ones most affected by Koja Container Terminal business directly and indirectly. The Company's business activities can affect the lives of the surrounding communities. Therefore, Koja Container Terminal implements social responsibility to the environment by promoting the triple bottom line concept (Planet, People, and Profit) to build harmony and participate in improving the welfare of the society and the surrounding environment. Koja Container Terminal conducts incidental, regular, and philanthropic social responsibility activities. Koja Container Terminal is committed to consistently carrying out social responsibility to social and community development in a sustainable manner. Therefore, the Company's presence can benefit the surrounding environment and improve the welfare of the society. (Masum et al. 2020).

Table 4: Implementation of the Social Responsibility to Social and Society Improvement

Scope	Activities
Educational Development	School fees.
Social Activities	<ul style="list-style-type: none"> • Donation • Mass Circumcision • Alms • Breakfasting Together and Donation for Orphans
Fostered Business Partners	Waste Bank Management
Health Improvement	<ul style="list-style-type: none"> • Blood Donation • Providing Nutrition for TB Patients • Health Port
Art and Culture Development	AKHLAK Culture Program

Currently, the deteriorating value of the ecosystem has threatened the existence of human beings and other living creatures. Thus, all Company's stakeholders need to actually and regularly keep and manage the ecosystem. (Zelazna, Bojar, and Bojar 2020). In line with this, Koja Container Terminal is committed to improving contributions in environmental conservation activities, in accordance with Regulation No. 32 of 2009 on Environmental Protection and Management. This commitment is realized by implementing an environmental management program in environmentally friendly operations. (Almiya et al. 2020). In carrying out its business processes, Koja

Container Terminal takes into account the environmental influence of the activities carried out, by not exploiting existing natural resources, and using resources effectively and efficiently. Management of the Company's business operations is carried out as well as possible so as not to cause environmental damage.

Table 5: Social Responsibility to the Environment Implementation

Scope	Activities
Energy Consumption Efficiency	<ul style="list-style-type: none"> • Water savings • Electricity savings
Green Port	Planting 1000 mangrove trees around the Tanjung Priok area
Waste Management	<ul style="list-style-type: none"> • Toxic and Hazardous Waste (B3) • Non-Toxic and Non-Hazardous Material Waste • Liquid Waste
E-Office	The paperless concept to minimize paper usage in the office administration and correspondence
Environmentally Friendly Training	Koja Container Terminal supports its authorized staff to carry out environmental training

Koja Container Terminal improves its positive image amidst the competitiveness and growth of container terminals overseas and domestically. The Business's commitment to delivering the best service to customers has been stated in Koja Container Terminal's Code of Conduct, which stated that in carrying out corporate activities, the Business respects the rights of customers in agreement with related policies. The Business improves its image in the customers' perspective by determining reasonable tariffs according to the provisions with maximum service. (Sayareh, Iranshahi, and Golfakhrabadi 2016). Koja Container Terminal has service standards for customers in the form of Koja Container Terminal's Service Standard, which governs service and security guarantees for all services provided by the Company, including import-export container loading and unloading services, transshipment services, quarantine container inspection services, and container monitoring services refer, and auto gate service. The Company strives to consistently meet customer expectations by providing quality and maximum service, as well as working innovatively and creatively. (Maladi, Nirwanto, and Firdiansjah 2019). The Company serves, receives, and handles customers' complaints. The Company's complaint handling mechanism has also been regulated in Koja Container Terminal's Service Standard. As a form of the Business's responsibility to clients, the Business regularly conducts customer satisfaction surveys. The activity is also one of the Business's efforts to find out weaknesses, threats, and opportunities of the Business.

Table 6: Social Responsibility to Clients Application

Scope	Activities
Customer Loyalty	<ul style="list-style-type: none"> • Customer Satisfaction Survey • Customers Complaints Handling • Customer Services Improvement • Customers Visits and Gathering

CONCLUSIONS

Corporate social responsibility is a measure to spread Koja Container Terminal's name through social activities that contribute to National Development while improving the quality of life of local communities, communities in general, and the surrounding environment, specifically where the business is carried out.

Koja Container Terminal's social responsibility implementation is an integral segment of good corporate governance application. The social responsibility is implemented with the impartial to put the Business's main priority on the interests and needs of the Stakeholders. In the process of implementing social responsibility, Koja Container Terminal has formulated and considered that the impact of corporate social responsibility is in accordance with issues related to sustainable development that take into account the triple bottom lines (people, planet, and profit) as benchmarks in developing schemes for corporate social responsibility. The schemes for corporate social responsibility are integrated with 7 core subjects in ISO 26000 as a reference in carrying out social responsibility: Governance, Employment Systems, Human Rights, Customer Rights, Fair Operations, Involvement in Community Development, and the Environment.

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