

## The Role of Corporate Social Responsibility in the Sustainability of Tourism Village



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**ABSTRACT:** The COVID-19 pandemic that has hit the world has an impact on health and other sectors such as education, social culture and the global economy. Tourism, which is used as the locomotive of economic development, is the sector that is most affected, especially in Badung district because it sees people's livelihoods depending on the tourism sector.

To improve the economy, the government has made efforts to deal with the phenomena that occur due to the impact of the Covid 19 virus, including by encouraging and motivating state-owned companies (BUMN) to continue to contribute to improving the welfare of the community by remaining consistent and sustainable in implementing Corporate Social Responsibility (CSR) programs.

To correlate the phenomena that occur, especially in the field of funding and assistance through CSR in the tourist village area, and companies in the concept of Community Based Tourism (CBT) and also to grow the community's desire for entrepreneurship in relation to supporting the needs of tourists with a target towards sustainable tourism villages. This paper analyzes the implementation of corporate CSR in the development of sustainable tourism villages in Badung district by upholding the principles of corporate social responsibility (CSR).

The analysis was carried out using mixed methods, namely measuring quantitatively and strengthening the measurement results by sharpening the results with qualitative methods in developing and sustainability tourist villages in Badung regency.

**KEYWORDS:** Corporate Social Responsible, Community Base Tourism, Sustainability

### I. INTRODUCTION

The Covid-19 pandemic which is still sweeping the world has had a broad impact on global health and the economy, especially in 2020, which the world is still feeling. The Covid 19 pandemic not only has an impact on health but also has a huge impact on other sectors such as education, social and culture.

Tourism, which is used as a locomotive for economic development, is the most affected sector by the changes that have occurred due to the Covid-19 pandemic. During the transition from pandemic to endemic, the tourism sector has faced the changes that have occurred so that economic development that has fallen can be revived. To improve the economy, the government has made efforts to deal with phenomena that occur due to the impact of the Covid 19 virus, including by encouraging and motivating state-owned companies (BUMN) to continue to contribute to improving community welfare by remaining consistent and sustainable in implementing Corporate Social Responsibility (CSR) programs.

Corporate Social Responsibility is the social responsibility of an organization for the impact of its decisions and activities on society and the environment.

According to Kotler & Nancy 2005, Corporate Social Responsibility (CSR) is a company's commitment to improving welfare through good business practices and contributing some of the company's resources.

Provisions for the obligation to implement CSR are regulated in legislation. Limited Liability Company No. 40 of 2007, namely that companies are obliged to budget a portion of their profits (profit) for social responsibility towards society and the environment.

Community empowerment through tourism or what is often known as the concept of Community Based Tourism (CBT) is closely related to the tourism development of a region. The empowerment referred to includes absorbing labor from the community around the area where the tourist village is being developed. According to the explanation of several heads of tourist villages in North Badung, 40% - 50% of the total workforce absorbed comes from the local community which is carried out through

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a selection process that is adapted to the community's professional field or can also be provided with appropriate professional standardization training. the need for a place to develop a tourist village. A tourist village is a form of integration between attractions, accommodation and supporting facilities presented in a community structure that is related to the procedures and traditions that apply in the village (Nuryanti, Wiendu 1993). In developing a tourist village, there are 4 components that must be fulfilled, including:

1. Attractions are the coverage of the daily life of the community as well as location settings that can enable tourists to integrate with the local community as part of traditional participation such as dance activities, language learning, traditional or religious buildings.
2. Accommodation, namely some residential areas or buildings developed based on the concept of residential areas that can be used as residences when tourists visit for those who need accommodation.
3. Access, namely supporting infrastructure such as roads, electricity, water, telephone, internet and so on
4. Amenities, namely the institutional system of a traditional village that develops facilities outside accommodation, such as restaurants, souvenir shops, and public facilities such as places of worship, health, parks, etc.

Based on the results of initial observations with traditional leaders and heads of tourist villages in the North Badung area, the problem that dominates the development of tourist villages is funding. The availability of funds owned by a tourist village is one of the determinants for the development of infrastructure and facilities in the tourist village. Tourism or regional infrastructure and facilities are one of the components that form a tourist village (Purwaningsih, Mahagangga, 2018) in the Journal of Tourism Destinations

The management of several tourist villages in terms of funding is very minimal, although there are several tourist villages that have received assistance from third parties, but there are also those that have not received it, where the source of funding comes from the results of mutual cooperation from the village and the management, which is still not sufficient to develop a business for costs. operations and procurement of equipment needed in the field. The community develops their village through mutual cooperation between communities to form a tourist destination village with very minimal funds. In management there is no standardization where one village has different methods to adapt to the quality of human resources in each tourist village.

The development of tourist villages has very effective benefits and value for developing the economy in a traditional village by introducing unique customs that are packaged beautifully so that they attract tourists to come and enjoy the cultural essence that is combined between tourism and activities and the uniqueness becomes a concept that can be sold. Empowerment can also be directed at helping people to help themselves, making society more independent, through a public learning system, which is carried out consciously and voluntarily, and developing its ability to empower other people (Sandiasa & Widnyani, 2017).

According to Bronislaw Malinowski (1884-1942) stated that culture is an effort to maintain continuity of life in accordance with cultural traditions that have been created by ancestors, which emphasizes the relationship between humans and the universe which is generalized cross-culturally, where an interesting village is a village that has customs and way of living with a concept where sustainable tourism is aligned with CSR objectives in improving the level of the economy, community welfare and environmental sustainability (Teguh, et al). The aim of CSR is to create a harmonious relationship between the company, shareholders and the community as one of the stakeholders. The scope of the CSR implementation sector is: Education, Health, Environment, Community Empowerment, Public Facilities and Infrastructure & Natural and Religious Disasters.

According to previous research in Purwaningsih (2018), the development of tourist villages will not be realized without support from various parties. According to previous research in Purwaningsih (2018), there are many obstacles faced in developing tourist villages in Munggu village, one of which is funding to build supporting facilities and infrastructure such as public facilities for tourist comfort. If we look at funding in a village that is still inadequate, coordination and collaboration with other parties is necessary, one of which can be implemented by applying for assistance from the Corporate Social Responsibility program from BUMN.

From the explanation above, especially during the pandemic, Badung Regency really felt the impact in growing tourism, especially to increase the community's desire for entrepreneurship which can support the development of tourist villages in Badung Regency which really needs a helping hand from third parties other than the government, through the implementation of Corporate Social Responsibility (CSR). to minimize obstacles, especially in terms of management funding so that a sustainable tourism village can be achieved in Badung Regency, Bali.

## II. METHOD

This work was written using the method of a literature review. This article will illustrate the role of CSR to developing community base on tourism concept to sustainability using a systematic, explicit, and repeatable method for identifying, evaluating, and synthesizing research results and ideas that have been produced by researchers and practitioners in the form of explanations or

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discussions of theory of a finding or research topic. According to Okoli & Schabram (2010), a literature review is conducted to provide a theoretical framework for research that will be carried out in an effort to examine the depth or breadth of existing research on a topic to be studied. This approach also understands the outcomes of past study while responding to essential questions.

### III. RESULT AND DISCUSSION

#### A. Sustainability

Sustainable tourism is the development of a travel concept that can have a long-term impact on environmental, social, cultural and economic sustainability for the present and future for all local communities and visiting tourists.

Tourism has a positive impact from an economic perspective, but on the other hand it also has a negative impact as a result of tourism activities, especially during the growth and development of mass tourism in various tourist destinations in the world which are synonymous with poor, uncontrolled (sporadic) planning. who are impressed by only prioritizing economic growth or being materialistic.

According to Robert W. Kates (2005), sustainable development is development that emphasizes the values of national security and welfare of countries, regions and institutions from the existence of social capital from the community itself. In relation to the development of tourist villages, funding is the most important thing to make regional tourism goals a success. In the opinion of Ignas Kleden (2018), Sustainable development is development that aims to improve the standard of living which refers to the use of natural resources and human resources and remains obliged to maintain balance.

#### B. Components of Sustainability

John Elkington (1994) author of the "Triple Bottom Line" (People, Planet, Profit) concept with describe that sustainability is an effort to achieve a balance between economic growth, environmental protection and social welfare.

Sustainability is an important concept in various fields, including environmental, economic, social and cultural. The main components of sustainability include three main pillars, namely:

**Environmental Sustainability** which natural resource conservation in protecting natural resources, such as water, air, land, forests and biodiversity to prevent environmental damage and resource scarcity. Waste management like minimizing waste and pollution through wise management and use of environmentally friendly technology.

Utilization of renewable energy by replacing fossil energy sources with renewable energy sources, such as sun, wind and water, to reduce the impact of climate change.

**Economic Sustainability** is sustainable economic growth with encouraging economic growth that does not damage the environment and ensures an equitable distribution of economic benefits.

Sustainable innovation and technology by developing technology and business practices that are environmentally friendly and efficient in the use of resources.

Investment in local communities with encourage investment in local communities to improve their economic well-being.

**Social Sustainability** is equality and justice with ensure fair and equal access to economic and social resources, opportunities and benefits. Education and health by provide adequate access to education and health services for all members of society. Culture and identity is preserving the cultural heritage, language and traditions of the community, and ensuring respect for cultural diversity.

In addition to the three main pillars above, sustainability also involves cooperation between various stakeholders, including government, business, civil society and individuals. The concept of sustainability also considers the long-term impact of current actions and policies on future generations.

In practice, sustainability is often measured through performance indicators that reflect progress in these three main pillars. Sustainability is an important goal in various sectors, including the environment, economy, tourism, agriculture, and many more, as it is key to creating a better world and ensuring human survival on this planet.

#### C. Measurement of sustainability

Sustainability often involves setting specific targets and key performance indicators (KPIs) to track progress over time. Sustainability reporting and ongoing assessment are essential for organizations and communities to demonstrate their commitment to sustainable practices and make informed decisions to enhance sustainability.

Measuring sustainability involves a holistic assessment process to evaluate the environmental, social, and economic impacts and performance of an organization, project, or community in achieving sustainable goals. The following are some general steps in measuring sustainability.

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Determining Sustainability Goals while the first step is to determine the sustainability goals you want to achieve. These objectives should include environmental, social, and economic aspects relevant to the particular situation or organization. Identify performance Indicators by select performance indicators that will be used to measure progress towards sustainability goals. These indicators can differ depending on the context, but typically include environmental indicators such as carbon emissions, water consumption, and waste, as well as social indicators such as employee satisfaction, equality, and community participation. Collect data is begin collecting the data necessary to measure the performance indicators you have selected. This data may include financial information, environmental data, social data and relevant economic data. Data analysis is analyze data to measure current performance against predetermined indicators. This involves comparing the collected data with a previously established target or standard.

Impact Evaluation is an addition to measuring current performance, evaluate the long-term impact of current actions and policies on sustainability. This includes consideration of how current activities may affect the environment, society, and the economy in the future.

Make Improvements, after measuring performance and impact, identify areas that need improvement. Create an action plan to improve sustainability performance. Sustainability is monitoring and reporting by continue to monitor sustainability performance regularly and carry out continuous reporting. It allows organizations or communities to track progress, measure the impact of sustainability initiatives, and communicate transparently to stakeholders. Stakeholder Consultation by involving relevant stakeholders in the sustainability measurement process. Get their input and views on sustainability impacts and goals.

Use of Frameworks or Guidelines by use internationally recognized frameworks or guidelines, such as the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), or Sustainable Development Goals (SDGs) to help measure sustainability in a way that more structured and standardized and improve and Continue to Grow: Sustainability is an ongoing journey. Continuously improve sustainability initiatives based on measurement results and changes in the environment and society.

### **D. Sustainability concept Community Based Tourism with BUMN CSR role in Bali**

Murphy (1985), describe that Community base Tourism is a form of tourism development that involves local communities in tourism planning and management, and provides sustainable economic, social and environmental benefits for those communities. In essence, CBT prioritizes the participation of local communities in all aspects of tourism, from planning to marketing, with the aim of creating a positive impact on these communities while maintaining environmental and cultural sustainability. This approach recognizes the importance of strengthening the role of communities in tourism development and ensuring that the economic and social benefits of tourism are channeled back into local communities. Community based mostly tourism (CBT) is a community improvement tool that strengthens the ability of rural communities to manage tourism assets whereas ensuring the local community's participation. Community based tourism is socially sustainable tourism which is initiated and nearly all the time operated exclusively by local people.

Community-based tourism is defined by three key characteristics, Indigenous leadership, sustainability, and cultural immersion Community-based tourism puts emphasis on the active participation of the local community in tourism planning, management, and empowerment of local people in the tourism industry. Community-based tourism is one of the most significant parts of the tourism industry and key to destination sustainability.

The components of sustainable community-based tourism are (1) Indigenous leadership, Community-based tourism is managed by local Indigenous communities. This means the community assumes collective responsibility for all aspects of the tourists' stay, including accommodations, internal travel, food, and cultural activities. (2) Sustainability Community-based tourism takes environmental, social, and cultural sustainability into consideration. It's owned and managed by the neighborhood, for the neighborhood, with the aim of enabling visitors to extend their awareness and learn about the community and local ways of life. (3) Cultural immersion Community-based tourism involves unique experiences and culturally dense areas fed by local knowledge. It aims to provide opportunities for travelers to help locals. Tourists will know that their money is used for a good reason – the development of the destination. They will also leave knowin Bali is famous as an international tourist destination, especially in Badung district and to create a diversity of tourism on offer, since the enactment of Regent's Regulation No. 47 of 2010 concerning the designation of tourist village areas totally 11 tourist villages as tourist destinations, developing village tourism as a unique tourist destination, located in the North Badung area (Petang sub-district) and Badung Tengan (Mengwi and Abiansema sub-districts). Apart from creating community tourism, it is also believed to be a form of cultural communication from Balinese tourism based on cultural tourism.

The natural beauty combined with its cultural richness can certainly attract local and foreign tourists to spend their holidays on the Island of the Gods. To improve the standard of living of the community which refers to the welfare of the Badung

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Regency Government, the establishment of a tourist village is a strategy and smart step that underlies the Badung community to increase development based on the preservation of natural resources as a tourist destination based on culture and creating creations in the form of art to preserve the ancestral heritage. reflects the spirit of act locally and think globally while still prioritizing quality that will make visiting tourists feel safe, comfortable and at ease because they enjoy natural beauty as well as unique and cultural arts.

g they have left a positive footprint

According to Ernawan et.al (2016) Corporate Social Responsibility (CSR) is an effort so that companies not only operate for the interests of shareholders, but also for the welfare of stakeholders in business practices, namely workers, local communities, government, consumers and the environment.

According to Law Number 40 of 2007 concerning Limited Liability Companies ("UU PT"), which mentions Corporate Social Responsibility ("CSR") with Social and Environmental Responsibility ("TJSL"), it requires Limited Liability Companies to carry out their business in the field and/or related to natural resources. Must carry out social and environmental responsibilities and must be budgeted and calculated as company costs, the implementation of which is carried out by taking into account propriety and fairness. In relation to preserving nature and the environment as well as maintaining a harmonious relationship between the company and the community, this is also the basis for implementing CRS.

Sustainability issues that occur in communities that are not socially and economically empowered. To respond to this issue, the Company continuously and sustainably carries out social and environmental responsibility through corporate social responsibility programs so as to create a harmonious environment. The Company is the umbrella for the CSR implementation program in the Company which integrates the interests of improving the quality of life of the community in line with the company's business interests so that they synergize with each other, which aims to ensure that the company and the community both obtain long-term benefits from the program. The Company encourages every element within the company to behave well and maintain harmonious relationships with stakeholders and foster social sensitivity.

## IV. CONCLUSION

Corporate Social Responsibility carried out by BUMN in the development of sustainable community-based tourism, which is supported by government policies in monitoring, supervision and evaluation of tourism businesses as well as the active role of the community to increase the desire for entrepreneurship which greatly contributes to the development of tourist villages in realizing sustainable tourism in Badung Regency, Bali.

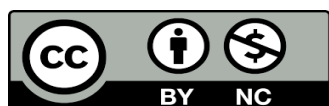
In this writing, it is hoped that management of the distribution of funds Corporate Social Responsible from government-owned enterprises (BUMN) and assistance from the government can be carried out to develop tourism villages based on culture to provide benefits that can be felt by the community in the development and sustainability of tourism with the CBT concept as well as government policies to increase the entrepreneurial intention of the community in sustainable tourism development with the aim of improving community welfare

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