

CHAPTER I

INTRODUCTION

1.1. Background

The concept of social responsibility (CSR) has been known since the 1970s, which is often defined as a set of policies and practices relating to stakeholders, principles, compliance with legal provisions, respect for society, the environment and the business world's commitment to providing benefits ongoing support. Every company has a responsibility to create harmony in the future in the form of sustainable development. Sustainable development has three key elements, namely people (society), planners (environment) and benefit (profit) (Nurhidayat et al., 2020).

According to (Elkington, 1997) that corporate business can grow sustainably when there is only one choice, namely aligning the achievement of profit performance (profit), with social performance (people), and environmental performance (planet) on an ongoing basis. This is intended so that companies do not only focus on profits, but are also responsible for the impact of the company's social environmental activities and conditions. Corporate social responsibility (CSR) has become an idea that has captured many groups, from the academic community, and non-governmental organizations (NGOs), to business people. It is not surprising that in the annual reports of several companies that have implemented CSR practices, success in achieving profits is no longer placed as the only measure of success in developing the company's existence.

Implementing CSR activities itself is an opportunity for companies to strengthen relations between the business world and consumers, which can be an advantage for a company because, for large companies, the company's reputation or image is an important asset that must be utilized properly. By

carrying out CSR activities, companies will be able to create a positive image in society about the company's presence in its environment.

Life in a community environment is certainly not far from the existence of a company that contributes to the development and growth of the surrounding environmental conditions. The community as a human resource is a pawn for building environmental sustainability, this is what makes a company in a community environment able to run together. Through the CSR (Corporate Social Responsibility) program where a company and the community establish a partnership the company's ongoing commitment to act ethically and contribute to the economic development of the local community or society at large, as well as improving the standard of living for employees and their families (Wibisono, 2007).

The regulation that every company is obliged to implement a CSR program is in Law No. 40 of 2007 concerning Limited Liability Companies (UU PT) "Companies that carry out business in the field and/or related to natural resources are obliged to carry out social and environmental responsibilities" (Dewi et al., 2020). In this case, PT Madubaru as one of the companies that collaborates with regional governments has a special CSR program with the TJSL Division as the division responsible for each CSR program implemented. In order to encourage community economic growth activities and create equitable development through business opportunities and community empowerment, PT Madubaru as one of the regional public companies is expected to increase its participation in empowerment activities and development of economic conditions, social conditions and the surrounding environment.

In the previous research, empowerment activities carried out by PT Pertamina were carried out through the *Pertamina Cerdas* program. The programs implemented include, among others, early childhood education, elementary and secondary schools, higher education, non-formal education, friend of the earth competitions and vocational education. With the *Pertamina*

Cerdas program, the company can develop the potential of the community so that they can be more skilled and continue to explore the potential that exists within them so that it can become social capital to be able to develop and progress in order to improve community welfare in the field of education (Nurjani & Resnawaty, 2023).

In research conducted by (Boyliu & Kristiyani, 2022) in *PRECIOUS Journal* with the title “*Analisis Implementasi Program CSR PT. Sido Muncul Dalam Pertumbuhan Ekonomi Mitra Binaan Mbok Jajan*” with the aim of implementing the Fostered Partners CSR program from PT. Sido Muncul can improve the economy of the local community. The results of this research prove that the CSR program through the *Mitra Binaan* program can improve the economy as seen by increasing income so that community welfare is also guaranteed.

Corporate social responsibility program carried out by PT Angkasa Pura I Makassar by providing coaching assistance to communities who are becoming the PT Angkasa Pura CSR partners. The CSR program of PT. Angkasa Pura I Makassar is implemented by providing capital assistance funds for local community businesses based on community economic empowerment. The research was written in the *Journal of Accounting Economics* entitled “*Implementasi Corporate Social Responsibility PT. Angkasa Pura I Makassar Berbasis Pemberdayaan Ekonomi Masyarakat*” By (Setiyawati et al., 2023)

There is also research entitled “*Implementasi Kegiatan CSR Metro TV Dalam Mempertahankan Reputasi*” by Putri et al., (2023). Metro TV CSR program is using 9 steps in the CSR program including (1) situation analysis, (2) organizational analysis, (3) public analysis, (4) setting goals & targets, (5) formatting action & response strategies, (6) using effective communication, (7) selecting communication tactics, (8) implementing strategic plans and (9) evaluating strategic plans.

PT Madubaru is a company operating in the field agro industry sugar cane owned company Ngayogyakarta Hadiningrat Sultanate The head office is

in Padokan Village, Tirtonirmolo, Kasihan, Bantul, Yogyakarta. PT Madubaru was founded to take over the former Padokan Sugar Factory which was destroyed by war, and establish a new factory on the land under the name Madukismo Sugar Factory and Spirits Factory. This factory is now the only sugar cane factory still operating in Yogyakarta.

Every year PT Madubaru always strives to carry out sustainable development by providing benefits to the surrounding environment, through CSR programs which are always carried out every year. PT Madubaru also collaborates with various parties in an effort to realize responsibility for all parties within it. The CSR program carried out itself is under the auspices of the TJSL Division or PT Madubaru's Social and Environmental Responsibility Division. Before changing to the TJSL Division, PT Madubaru's CSR was carried out by the TJSL division or Partnership and Community Development Program. It is written in the ministerial regulation PER-05/MBU/04/2021 concerning the Tanggung Jawab Sosial Lingkungan (TJSL) program that the term PKBL (Program Kemitraan dan Bina Lingkungan) is no longer used and has been replaced with TJSL (CSR/Corporate Social Responsibility).

In order to implement the company's goals, it also aims to serve stakeholders because with stakeholders and customers it can maintain a positive image and help to strengthen the company brand. Apart from being able to help the economy of the community within the company, through the CSR program the company helps the community and also strives to create better conditions in the future so that the company will get positive results in every relationship with the community. PT Madubaru's corporate social responsibility program through this fostered partner program certainly requires a lot of costs. However, this CSR program for Foster Partners will provide financial results through investors who are interested in collaborating with PT Madubaru's fostered partners so that apart from helping the economy of the community around the company, the company can also fulfill its main business goal of increasing

profits as high as possible with the basic principles in CSR activities, namely sustainability, accountability, transparency (Aras & Crowther, 2016).

PT Madubaru's responsibility is to collaborate with farmers, suppliers, public businesses by providing material assistance and cash assistance to partners without being accompanied by maximum counseling, guidance or training so that CSR (Corporate Social Responsibility) activities are still lacking in implementing strategies appropriately. This makes the CSR program run by PT Madubaru felt to be an obstacle in realizing the implementation of Good Corporate Governance. As mentioned in research conducted by Zagita (2021) published in the *Jurnal penelitian dan Pengabdian Kepada Masyarakat (JPPM)* with the title "*Faktor-Faktor Yang Mempengaruhi Penerapan Corporate Social Responsibility (CSR) Di Perusahaan*". The results of this research show that there are many factors that can hinder the implementation of Social Responsibility (CSR) programs, both internal and external factors, which still need to be studied more deeply by each company together with stakeholders so that there is good synchronization between the company and stakeholders.

The corporate social responsibility program implemented by PT Madubaru is carried out with full awareness as a means of building good relations with the surrounding community. For the construction of the Madukismo Food Court which was then inaugurated in 2023 where PT Madubaru built the Madukismo Food Court and Madukismo Mart which was carried out as one way of realizing PT Madubaru's social responsibility which involved sellers around the neighborhood who were included in the ranks of 18 food outlets as partners and employees and citizens as consumers.

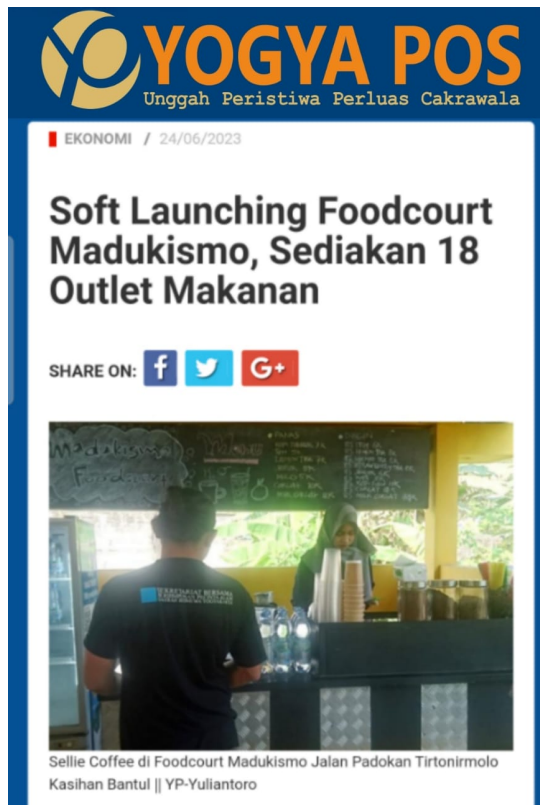


Image 1.1 News about Soft Launching Foodcourt Madukismo

Source: News Portal Yogya Pos, 24 Juni 2023

The food court construction program was carried out by involving Small and Medium Enterprises (SMEs) owned by residents around this factory expected to increase their income and welfare and help in empower the community so that they can achieve social welfare. In this way, PT Madubaru has indeed been able to realize various programs for the community which has been known as the partnership program.

This is what becomes interesting to research, how Madukismo implements the CSR program that is held regarding the success or failure of the program in fostering good relations with the surrounding community. In social media or the website of PT Madubaru, the researcher did not find any CSR program that they held but in 2023 based on the decision of the Bantul Regent, PT Madubaru received the 2023 corporate social and environmental

responsibility award, so it is interesting to find out how they do the management of their CSR program. The previous journal research entitled “Corporate Social Responsibility (CSR) Program Management of PT Madubaru PG-PS Madukismo Through Bantuan Modal Kerja (Working Capital Support) Program in 2022” by (Harahap & Rahman, 2024) focused on how PT Madubaru implemented the CSR Program and the obstacle, different from this research that focused on discussing how to implement the PT Madubaru fostered partner program in working capital assistance, the obstacle and the indicator of CSR Program. The subject that the researcher use also different when in Reihana research more focusing in internally corporate with TJSL Staff, in this research the subject that use is the TJSL Staff, the partner of the program Hariyanto the owner of Brongkos Mas Iyan and Nurjiyanta the owner of Panji Jaya Kriya.

So, the researcher will focus to analyze more deeply how the PT Madubaru CSR program in 2023 is implemented through the partnership program that included the SMEs/economic creative sectors and the social sectors as the company's responsibility in its commitment to improving community welfare by contributing to the economic growth of the PT Madubaru partners carried out by the TJSL Division as well as what inhibiting factors are found in implementation of PT Madubaru's CSR program activities. Where the implementation of the CSR program in 2023 will be more relevant and contemporary with current objectives. The implementation has its own obstacles, whether the PT Madubaru Foster Partners CSR program that is being implemented is simply carrying out obligations as implemented by the government or is it a program created by PT Madubaru to have a long-term impact on MSME business actors which will later benefit the community.

1.2. Research Question

Based on the background of the problem described above, the research problem formulation of this research is

1. How the program of the corporate social responsibility program through partnership program by PT Madubaru's TJSL (Environmental Social Responsibility) Division was implemented in 2023?

1.3. Research Objectives

Following the research topic regarding corporate social responsibility programs which are used as a concept for social and environmental responsibility, the research purposes (objectives) are:

1. To analyze how the corporate social responsibility PT Madubaru's partnership program was implemented in 2023.
2. To find out the obstacles during implementing a corporate social responsibility partnership program in 2023.

1.4. Benefits of Research

Based on the introduction and research question above, the benefits of this research are:

1. To find out a more in-depth explanation regarding the implementation of the corporate social responsibility program by the TJSL Division in improving the company's image in the eyes of the public and influencing the economy of the surrounding community.
2. Can be used as a reference for other research related to CSR programs by the TJSL division of PT Madubaru.
3. Can provide references for other researchers regarding corporate social responsibility programs run by the TJSL Division of PT Madubaru.

1.5. Theoretical Framework

1.5.1. Concept of Corporate Social Responsibility (CSR)

As written in the book of Corporate Social Responsibility by Philip Kotler and Nancy Lee (2005), the use of the term corporate social responsibility offers the following definition:

“Corporate social responsibility is a commitment to improve community well-being through discretionary business practices and contributions of corporate resource.”

A key element of the definition is the word discretionary. Corporate social responsibility does not refer to business activities rather, corporate social responsibility refers to a voluntary commitment a business makes in choosing and implementing these practices and making these contributions.

According to Bowem (1953) Corporate social as the obligation of entrepreneurs to formulate policies, make decisions or follow a desired line of action in terms of the goals and values of society. Related to this, social responsibility Frederick (1960) states that entrepreneurs must supervise the operations of an economic system that meets public expectations. This means, in turn, that the production economy must be worked on in such a way as to be able to improve overall socio-economic welfare. Social responsibility, in the final analysis implies a public attitude towards economic and human resources, and the resources used are not limited only to personal and corporate interests, but to broader social goals. In short, the new concept of social responsibility recognizes the intimate relationship between companies and society and realizes that this relationship must be kept in mind by top managers of companies and related groups in the pursuit of their respective goals. Furthermore, emphasized elements of social responsibility include a degree of volunteerism, as opposed to coercion, an

indirect relationship with other volunteer organizations for the company and an understanding that the costs involved for the impossible should be used to measure directly measurable economic returns Totok (1947: 87).

The history of the emergence of Social Responsibility, also known as Corporate Social Responsibility (CSR), did not arise suddenly but went through a long process. Starting from the Ancient Roman era, when an idea arose which was later recognized as a finding of legal science that could be called a "masterpiece", namely the recognition of the Company as an independent legal subject in legal traffic, as befits a human being who is competent and able to act (Isa & Azheri, 2008). The term Corporate Social Responsibility or more often known as CSR comes from English and consists of three different words, namely corporate, social and responsibility. Each word has a different meaning. Corporate means a large company or corporation, social means social or community, and responsibility is a responsibility so it can be concluded that the meaning of *Corporate Social Responsibility* (CSR) is the willingness or ability of large companies to carry out their social responsibilities to the communities around the company's operational area or around the area where the company is established (Zetta et al., 2022).

Corporate Social Responsibility activities are a company's commitment to improving community welfare through good business practices and contributing some of the company's resources. The regulations regarding CSR or TJSL (Tanggung Jawab Sosial Lingkungan) themselves are contained in Law No. 40 of 2007 concerning Limited Liability Companies (UU PT):

- (1) Companies that carry out business activities in the field and/or related to natural resources are obliged to carry out Social and Environmental Responsibility.
- (2) Social and Environmental Responsibility as referred to in paragraph (1) is the Company's obligation which is budgeted and calculated as

Company costs, the implementation of which is carried out by taking into account propriety and fairness.

(3) Companies that do not carry out the obligations as intended in paragraph (1) will be subject to sanctions in accordance with the provisions of statutory regulations.

(4) Further provisions regarding Social and Environmental Responsibility are regulated by Government Regulations (Undang-Undang Republik Indonesia Nomor 40 Tahun 2007 Tentang Perseroan Terbatas, 2007).

As written in Government Regulation (UU PT Nomor 40 Tahun 2007) companies are obliged to carry out CSR for the sake of their commitment to providing attention in the form of positive things to internal and external stakeholders.

1.5.2 Implementation and Benefits of CSR (Corporate Social Responsibility)

The implementation and development of CSR in Indonesia has undergone changes to become more focused on how the business world can benefit from CSR programs carried out by a company. Each business can take different CSR implementation strategies and turn them into an integrated marketing strategy. Awareness of the importance of implementing CSR has become a global trend in line with the increasing interest of the global community in environmentally friendly products produced by complying with environmental regulations, social norms and human rights principles.

According to Wibisono (2007) in (Naufaldi et al., 2022) in general, companies implement CSR using the following stages:

1. Planning Stage

In this planning stage, there are three main steps, namely: a) Awareness building, which is the first step to build awareness about the importance of CSR and management commitment. This effort can be carried out, among others, through seminars, workshops, group discussions, etc.; b) CSR assessment, an effort to map the company's

condition and identify aspects that need priority attention and appropriate steps to build a company structure that is conducive to effective CSR implementation; c) CSR manual building, the results of the assessment are the basis for compiling a CSR implementation manual or guideline. Efforts that must be made include benchmarking, digging from references or for companies that want instant steps, preparing this manual can be done by asking for help from independent experts from outside the company.

2. Implementation Level

In starting a CSR activity, there are three questions that must be answered, namely who is the person carrying it out, what must be done, and how to do it as well as what tools are needed. In popular management terms, this question translates into: a) Organizing the necessary resources; b) Staffing to place people who are appropriate to the type of task or work they do; c) Directing related to how to carry out the action; d) Controlling implementation; e) Implementation of work according to plan; f) Evaluating to determine the level of goal achievement.

3. Evaluation Stage

After the CSR program is implemented, the next step is evaluation. The evaluation stage is a stage that needs to be carried out consistently from time to time to measure the effectiveness of CSR implementation. Apart from internal company evaluation, it can also be carried out by asking an independent party to carry out an audit of the implementation of CSR practices carried out. This evaluation can help the company to re-emphasize the conditions and situations as well as the company's achievements in implementing CSR so that it can make necessary improvements based on the recommendations provided.

4. Reporting

Reporting is needed in order to build an information system, both for the purposes of the decision-making process, as well as for the need to disclose material and relevant information about the company. So, apart from functioning for the needs of shareholders, it also functions for other stakeholders.

Form of CSR activities program that can be run by the company to carry out the company's commitment in terms of achieving the welfare of the community according to (Kotler & Lee, 2005) are as follows:

1. Cause Promotion

This is done by companies to allocate funds and other company resources to increase public awareness of social causes, raise funds, get involved in the community, or recruit volunteers to support certain programs. The major focus in cause promotion is persuasive communications with an intention to create awareness and concern relative to social issues and to persuade a potential volunteers to contribute to the cause or participate in activities to support cause.

Most corporate benefits associated with caused promotion are marketing related such as strengthening brand positioning, increasing traffic and customer loyalty, creating brand preferences with target markets, providing customers convenient ways to contribute and participate in causes, providing opportunities for employees to get involved in something they care about, create partnerships and strengthens corporate image. There are things that must be considered when carrying out corporate cause promotion:

- a. When a company has easy access to a large potential target audience.
- b. When the cause can be connected and sustained by the company's product.
- c. When opportunities exist to contribute to the campaign using in-kind service.

- d. When employees can get excited about the effort.
- e. When it's desirable to limit the company involvement and commitment to just raising awareness and concern about an issue.
- f. When there is a co-branding opportunity versus being one of many sponsors.

2. Caused Related Marketing

In cause-related marketing activities are when a company commits to making a contribution or donating a portion of revenue to specific cause based on product sales. Commonly, this over is for has period and for a specific product and specific charity. This link to product sales or transaction most distinguishes this initiative, which contains a mutually beneficial understanding and goal that the program will raise fund for the charity and has the potential to increase sales for the corporation.

The benefits of doing the caused related marketing campaign program are having the potential to attract new customers, raising funds for a cause, increasing product sales, building valuable partnerships that support the effort and building a positive brand identity. In addition, this initiative also be one of the best strategies for raising significant funds for a cause. Potential concerns and challenges should also be anticipated and addressed, including increased needs for promotional funding stuff time for planning and coordinating with charity partners, and attention to potential legal and marketing risks.

3. Corporate Social Marketing

The company develops and implements campaigns that change people's behavior to improve public health and safety, protect the environment, and improve community well-being. Behavior change is the focus and the intended outcome of a corporate social marketing program. It is the easiest way to distinguish this initiative from others by this behavior change focus. This program has similar to a cause promotion program because the

corporation is providing funds, and in-kind contribution, and has a goal to increase awareness about a cause.

The typical corporate social marketing program focus on promoting behavior to specific issues such as:

- a. Health issues include tobacco use prevention, breast cancer, teen pregnancy, eating disorders, diabetes, heart disease and HIV/AIDS.
- b. Injury prevention issues include traffic safety, drowning prevention, suicide prevention and emergency preparedness.
- c. Environmental issues include water conservation, electrical conservation, use of pesticides, air pollution and wildlife habitats.
- d. Community involvement includes volunteering, voting, animal rights, organ donation and blood donation.

4. Corporate Philanthropy

When you use this program, the corporation usually donates directly in the form of philanthropy to a specific group. It can directly be contributed by charity or cause, most often in the form of cash grants, donations and in-kind service. It is the most traditional initiative and corporate donations are often critical to a nonprofit's operating budget, capital expenditures, and special project, filling the gap between expenses and revenues from the program and the contribution from individual donors. Other terminology most closely includes community giving, community relations, corporate citizenship and community affairs. The typical program that can executed are (a) Providing cash donations; (b) Offering grants; (c) Awarding scholarships; (d) Donating products; (e) Donating services; (f) Providing technical expertise; (g) Allowing the use of facilities and distribution channels; (h) Offering the use of equipment. Recipients of these contributions are often existing nonprofits and foundations in the community and may even have a relationship with the corporation.

Major strengths for corporate philanthropy are building corporate reputation with respected organizations, creating community goodwill and national attention, strengthening the corporation's industry, building and securing a strong brand position, having an impact on societal issues in local communities and providing opportunities for noncash/in-kind contributions. Lately, experts are challenging corporations to look also at the potential for philanthropy initiatives that will increase productivity, expand markets, and ensure a strong future workspace. The things that need to be considered in philanthropy are the challenges associated with evaluating and choosing a strong cause partner, dealing with shareholders' concerns for issues that have been selected, achieving (tactful) visibility for the company for its effort and tracking/measuring impact and outcome even just determining levels of giving.

5. Community Volunteering

In this way, companies typically support and encourage their employees, retailers and other franchise members who donate their time to support local community organizations and the communities served by each program. Volunteer efforts may include employees volunteering their expertise, talents or ideas. Corporate support may involve providing paid time off from work, matching services to help employees find opportunities of interest, recognition for service and organizing teams to support specific causes the corporation has targeted.

The typical program of community volunteering are: (a) Suggesting specific causes and charities that the employee might want to consider it; (b) Organizing volunteer teams for a specific cause/event; (c) Helping employees find opportunities through on-site coordinators or website listing; (d) Providing paid time off during the year to do volunteer work; (e) Awarding cash grants to charities where employees spend time volunteering. Types of programs that contribute to a local community to ones that improve health and safety for individuals, to

those that protect the environment. Jeremy Galbreath (2006) stated that four CSR strategies are referred to:

- a. Shareholder strategy, companies only have a responsibility to society, namely economic responsibility.
- b. Altruistic strategy, this strategy is based on "giving back" to society in the form of monetary donations to various groups and causes.
- c. Reciprocity strategy, this strategy takes a more strategic approach to CSR in terms of viewing social responsibility as good business. This means that by taking on broader social responsibilities, companies not only offer benefits to society but also benefits in financial and other forms as real rewards.
- d. Citizenship strategy, citizenship strategy is the most strategic strategy. In this strategy, the company identifies and dialogues with stakeholders as part of the input for formulating the company's strategy. Thus, CSR strategies are specifically directed at the needs of individual stakeholders such as employees, customers, or even the environment.

According to Imam Syairozi (2019:15) in (Fauziyyah, 2020), apart from benefiting the company, implementing CSR activities can bring positive benefits to society and the government, namely:

1. Benefit for society

CSR can improve various sectors such as providing decent and quality education for the community, and the employment sector such as improving training or *training* to improve the quality of the workforce in the wider community.

2. Benefits for the Government

CSR activities are related to problems in various regions, such as education problems, lack of access to health for local communities, and the

construction of public facilities for the benefit of many people. By collaborating with government policies and companies or organizations that implement CSR, many people are helped by the implementation of CSR around them.

Companies will now find it easy to get various benefits of their *brand image*. Existing government policies also make it easier for companies to carry out their CSR activities. Some of the benefits of CSR for companies, namely:

2. Encourage more information in decision-making based on an increased understanding of society's expectations, the opportunities if we are socially responsible (including better legal risk management) and the risks if we are not socially responsible.
3. Improve the risk management practices of the organization.
4. Improve the organization's reputation and foster greater public trust.
5. Increase organizational competitiveness.
6. Improving organizational relationships with stakeholders.
7. Increase employee loyalty and morale. Improves the safety and health of both male and female employees and has a positive impact on the organization's ability to recruit, motivate and retain employees.
8. Obtaining savings is associated with increased productivity and resource efficiency, lower water and energy consumption, reduced waste, and increased availability of raw materials.
9. Increase the reliability and fairness of transactions through responsible political involvement, fair competition and the absence of corruption.
10. Prevent or reduce potential conflicts with consumers about products and services.
11. Contribute to the long-term sustainability of the organization by promoting the sustainability of natural resources and environmental services.
12. Contribution to society and to strengthen the general public and institutions.

Based on the understanding above, it can be concluded that the benefits of implementing CSR in companies are not only felt by the company but also felt by the government, society and the environment.

1.6. Research Methods

1.6.1. Types of Research

This research uses a qualitative approach which produces data results using a descriptive method with case study in the form of written words in accordance with the research objective, namely to determine the implementation of PT Madubaru PG-PS Madukismo Corporate Social Responsibility through partnership program in 2023. The process and meaning or perspective of the subject are more emphasized in qualitative research. Patton in (Boyllu & Kristiyani, 2022) qualitative methods are used to understand phenomena that are occurring naturally. Then as written in Bogdan & Bilken (1992: 59) that:

“The general design of a case study is best represented by a funnel. The start of the study is the wide end: The researchers scout for possible places and people that might be the subject or the source of data, find the location they think they want to study and then cast a wide net trying to judge the feasibility of the site or data source for their purposes.”

A scientific research aims to understand a phenomenon in natural social contact by prioritizing the process of in-depth communication interaction between the researcher and the phenomenon being studied. The data used is primary data obtained

from interviews with the Head of TJSL, namely Mr. Hanafi and the partners related to the program as stakeholders of PT Madubaru.

1.6.2. Place and Time of Research

In this research, the researcher chose the location at PT Madubaru PG-PS Madukismo because PT Madubaru is the only sugar factory in Yogyakarta which is still actively operating since its establishment in 1955. Previously in 1913 it was known that 17 sugar factories had been established in Yogyakarta such as in the Bantul, Sleman and Kulon Progo areas. Because PT Madubaru carries out business in the field or related to natural resources, the company is obliged to carry out corporate social responsibility activities in accordance with Law No. 40 of 2007 concerning Limited Liability Companies. Therefore, the researcher wants to examine the implementation of CSR as a form of corporate responsibility to provide benefits to society and the environment. This research was carried out in 2023.

1.6.3. Research Subject

The subject of this research are the results of interviews conducted with the Head of TJSL of PT Madubaru, namely Mr. Hanafi and the Development Partners regarding the program as stakeholders of PT Madubaru, the partner Mr. Hariyanto the owner of “Brongkos Mas Iyan” and Mr. Nurjiyanta the owner of “Panji Jaya Kriya”.

1.6.4. Data Collection Techniques

According to Lisa M. Given (2008: 190) the term data is most often associated with the words of participants or other empirical evidence that is assessed. Thus, Qualitative research examines evidence that is sometimes visual and sometimes verbal, but its findings are not strictly theoretical; they are based on empirical data. In short, it is the

data collection process that separates qualitative research from speculative, philosophical, or archival research. There are several methods used by the qualitative researcher to collect research data, including:

1. In-depth Interview

An in-depth interview is a direct interview with a respondent using the "probing" technique by an interviewer. The aim is to find out hidden things about respondents such as motivation, beliefs, behavior, and feelings regarding a particular topic. In-depth interviews can last 30 minutes to more than 1 hour. (Rangkuti, 2013) in PT Madubaru office. The in-depth interview process carried out by the researcher was by directly asking in-depth questions about how the PT Madubaru CSR partnership program was implemented which involved several people. In this research, the method used in sample collection was purposive sampling. Purposive sampling is a non-probability sampling technique that is based on the characteristics possessed by the selected subjects because these characteristics are in accordance with the objectives of the research to be conducted. In purposive sampling, the researcher choose the research subjects and the research locations with the aim of studying or finding out the main problem to be researched. The criteria for informants in the author's research are:

1. Directly involved in the preparation, planning and implementation of PT Madubaru's partnership CSR program.
2. Willing to provide complete data and information regarding the PT Madubaru partnership program.

3. Directly involved in the execution of PT Madubaru's partnership CSR program.
4. Still join the partnership program in 2023.

With the informant criteria as above, the characteristics of the informants for this research consist of :

1. Head of TJSL (Tanggung Jawab Sosial dan Lingkungan) PT Madubaru, Mr Hanafi.
2. The owner of the business "Brongkos Mas Iyan" belonging to Mr Haryanto as a partner in PT Madubaru's CSR program.
3. The owner of the business "Panji Jaya Kriya" belonging to Mr Nurjiyanta as a partner in PT Madubaru's CSR program.

2 Documentation

Documentation studies are one way that the qualitative researcher can do to get an overview from the subject's point of view through written media and other documents written or created directly by the subject concerned (Herdiansyah, 2009). In this research, the researcher used screenshot and photo documentation from the annual report "CSR membangun Bantul" belonging to BAPPEDA Bantul, the annual report of the TJSL Division of PT Madubaru, and notes as supporting aspects.

1.6.5. Data Analysis Technique

Data analysis is the next step after relevant data is obtained. The data analysis carried out is usually manual (based on the sensitivity and ability or sharpness of the researcher's analysis). According to Miles & Huberman in (Puspita, 2021), the analysis consists of four activities that occur simultaneously: data collection, data reduction, data display, and

conclusion drawing/ verifying. The four lines will be discussed further as follows:

1. Data Reduction

Data reduction refers to the process of selecting, focusing, simplifying, abstracting, and transforming the data that appear in written-up field notes or transcriptions. As data collection proceeds, further episodes of data reduction occur (writing summaries, coding, teasing out themes, making clusters, making partitions, and writing memos). Data reduction is part of the analysis. With data reduction, the researcher can get rid of unnecessary parts and organize data to get the final conclusions that can be drawn and verified.

2. Data Display

A display is an organized, compressed assembly of information that permits conclusion drawing and action. They believe that better data displays are the primary means for valid qualitative analysis, which consist of various types of matrices, graphics, networks and charts. All of it is designed to combine information that is arranged in a coherent and easily accessible form. Thus an analyst can see what is happening, and determine whether to draw the correct conclusions or continue to carry out the analysis according to the suggestions told by the presentation as something that might be useful.

3. Conclusion Drawing/verifying

Conclusions are also verified as the analyst proceeds. When in the midst of data collection, the researcher had a brief conclusion. To draw conclusions, of course, cannot be done haphazardly, it must go back to see the data to be verified. The final conclusions do not only occur at the time of the data

collection process but need to be verified so that they are truly accountable.

1.6.4. Data Validity Test

This research is using the triangulation data technique. According to (Moleong, 2014) Triangulation is a data validity-checking technique that utilizes something else. Apart from that, the data is for checking purposes or as a comparison of the data. The most widely used technique is checking data through sources therefore the researcher use triangulation by source in this research to check the validity of the data. Triangulation with sources means comparing and checking back the degree of trustworthiness of information obtained through different times and data in qualitative research. This research uses triangulation with sources by:

1. Comparing information obtained from observations on a program carried out by PT Madubaru in 2023 with the results of interviews conducted with informants, namely TJSL staff and fostered partners.
2. Comparing the results of interviews conducted by informants related to documents such as the PT Madubaru social and environmental responsibility report in 2023 and the 2023 CSR Membangun Bantul Book.
3. Comparing the perspectives of people with various views, both TJSL staff who run the PT Madubaru CSR program and fostered partners as recipients of assistance.