

Empowerment in the Pandemic Era: The Role of Corporate Social Responsibility (CSR) in Industry Survive in Indonesia

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Abstract: The Covid-19 pandemic which began at the end of 2019 has not yet passed, several industries are still surviving, namely food, pharmaceuticals and hospitals, technology, financial services and education. This is what encourages companies to carry out Corporate Social Responsibility (CSR) strategies and maybe even change the plans that were planned the previous year. The research method used is qualitative with analytical description. There are 20 companies engaged in the Food and Beverage sector in 2020 which report CSR reports from 26 companies in their Annual Reports. Only 4 companies that do not specialize in CSR for Covid-19, the remaining 16 companies have taken concrete actions for employees and the community.

Keywords: Pandemic Era, Corporate Social Responsibility (CSR), Survive

Introduction:

The introduction should identify key ideas of the research, why it is important, pose research question that needs to be answered and how the findings contribute to the discipline. Introduction includes the description of the study, problems, sets aim and tasks of the research, research methods applied, and presents novelty and topicality of the research as well as lists problematic questions of the conducted research, information sources, delimitations of research subjects, and theoretical discussion.

Literature Review:

The end of 2019 until the middle of 2021 the Covid-19 pandemic has not yet passed. The World Health Organization (WHO) explained that this virus is a new family of SARS virus named Severe acute respiratory syndrome coronavirus 2 (SARS-COV-2) then the name of the disease is called Covid-19 (Sitorus and Rahmad, 2020). The transmission is so fast, the Government of Indonesia continues to try with various steps to break the chain of the spread of Covid-19 (Triana et al, 2020). However, it cannot move alone, there needs to be cooperation in it, namely an industry that can still survive in the midst of this pandemic.

This pandemic has spread throughout the world which will definitely have an impact on all industries but there are also industries that are still surviving. Junaedi and Faisal (2020) explained the order in which economic growth was affected, namely Asia, America, Africa, Europe, and Australia/Oceania. Our President explained that there are 5 industries that have survived in the midst of a pandemic, namely food, pharmaceuticals and hospitals, technology, financial services and education (www.liputan6.com). The community also clearly needs adequate food for survival and maintaining health. This industry that is still surviving is required to carry out a Corporate Social Responsibility (CSR) strategy, perhaps even changing the planning that was planned the previous year. Government Regulation of the Republic of Indonesia Number 47 of 2012 concerning Social and Environmental Responsibility of Limited Liability Companies can be referred to as CSR. Basically, the purpose of this regulation is for companies to be responsible for their environment by contributing to the company's programs. Many of the programs offered by companies in this study are focused on companies belonging to the food and beverage industry to build positive relationships such as with the wider community, other stakeholders.

The other side of the implementation of CSR is that the company has a positive company view. This is in line with the research described by Zarefar and Tjiptohadi (2021) explaining that companies having a positive image will help the company in the long term. There is a 3P concept, namely profit, people, and planet, which means that it is not only profit that is pursued by the company, but also social human beings who protect the earth for the sustainability of the company's goals.

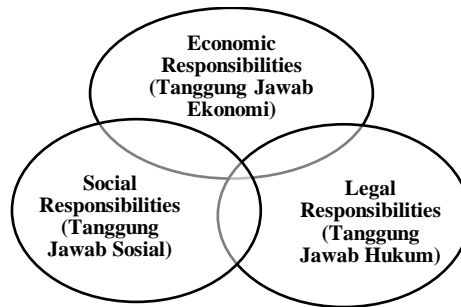


Figure 1 Types of Corporate Responsibility

The picture above illustrates that there are 3 types of corporate responsibilities, namely Economic responsibility, Social responsibility, and Legal responsibility. If one of them does not work well, the company cannot run its operations optimally (Budiastuti, 2021).

Methodology:

This study uses a qualitative description of the analysis. Sugiyono (2012) explains that descriptive analysis method is a research method by collecting data according to the truth then the data is compiled, processed and analyzed to be able to provide an overview of the main problems that exist. The data used is a literature study with secondary data sources in the form of literature such as books, journals, and websites that represent and are relevant to support this research.

Table 1 Company Sampel

NO	CODE	COMPANY NAME
1	AISA	Tiga Pilar Sejahtera Food Tbk, PT
2	ALTO	Tri Banyan Tirta Tbk, PT
3	CEKA	Wilmar Cahaya Indonesia Tbk, PT (d.h Cayaha Kalbar Tbk, PT)
4	DLTA	Delta Djakarta Tbk, PT
5	FOOD	Sentra Food Indonesia Tbk, PT
6	GOOD	Garudafood Putra Putri Jaya Tbk, PT
7	ICBP	Indofood CBP Sukses makmur Tbk, PT
8	IKAN	Era Mandiri Cemerlang Tbk, PT
9	INDF	Indofood Sukses Makmur Tbk, PT
10	KEJU	Mulia Boga Raya Tbk, PT
11	MLBI	Multi Bintang Indonesia Tbk, PT
12	MYOR	Mayora Indah Tbk, PT
13	PANI	Pratama Abadi Nusa Industri Tbk, PT
14	PSDN	Prasidha Aneka Niaga Tbk, PT
15	PSGO	Palma Serasih Tbk, PT
16	ROTI	Nippon Indosari Corpindo Tbk, PT
17	SKBM	Sekar Bumi Tbk, PT
18	SKLT	Sekar Laut Tbk, PT
19	STTP	Siantar Top Tbk, PT
20	ULTJ	Ultrajaya Milk Industry and Trading Company Tbk, PT

Source: Author's calculations.

Research Results and Discussion:

The impact of COVID-19 is not only attacking human physical health but also industries and companies

in Indonesia. This can be seen in the number of companies laying off their employees in many countries, decreasing the level of public consumption, decreasing tax revenues in the trade sector. The company is currently still struggling to survive during this pandemic, especially to carry out moral obligations to the community. This makes the company more ethical and socially responsible in a positive way. One of the limitations of CSR during this pandemic is a test for companies to think about how to keep it conveyed well by the community and useful in these difficult times. The company's planning is actually not only during this pandemic but there is something more important, namely post-pandemic which encourages people to rise up together to build the Indonesian economy.

There are 20 companies engaged in Food and Beverage in 2020 that report CSR reports from 26 companies in the Annual Report. Various practices carried out by companies in carrying out CSR during the 2020 pandemic. As many as 20% of the entire sample company, namely 4 companies that did not explain CSR specifically for those affected by the COVID-19 pandemic. The companies are PT Era Mandiri Cemerlang Tbk, PT Mulia Boga Raya Tbk, PT Pratama Abadi Nusa Industri Tbk, PT Siantar Top Tbk. The majority of companies engaged in the food and beverage industry are devoted to COVID-19 in 2020 providing CSR assistance in the form of education, counseling on employee nutrition, community nutrition, posyandu, products, funds, basic necessities, masks, hand sanitizers, face coverings, assistance to Puskesmas, blood donors, assisting Small and Medium Enterprises (SMEs) in the supply chain, partner farmers, cattle breeders, tempe craftsmen, car clinics for checking pregnant women, increasing places to wash hands, routinely spraying disinfectants for local residents, socializing 3M (Using Masks, Washing hands, maintaining distance), nutritional assistance to medical personnel handling Covid-19 in hospitals and health posts, donations for orphans, the elderly, providing Personal Protective Equipment (PPE) to hospitals, conducting antigen tests/swab tests/PCR test to its employees, job vacancies for the community.

Industries that are still surviving in 2020, even though they are affected, can still contribute to the wider community to work hard to provide the best. 16 companies that provide special CSR during this pandemic are a great appreciation in order to be able to maintain until this pandemic disappears from our beloved country, Indonesia. Public awareness of the importance of health and nutrition is expected to increase in 2021.

Garcia and Akejandra (2020) explain in their research on CSR, in Spain related to the mortgage moratorium, special measures for vulnerable households such as leasing, approval of certain financing lines from The Official Credit Institute (ICO) to meet the liquidity needs of companies and self-employed tourism workers. , ICO guarantee lines to facilitate lending to companies and freelancers who have cash needs, and temporary labor regulation files to avoid layoffs.

Government policies vary from country to country but aim to help the community's economy, especially health, which must be maintained in order to reduce the number of COVID-19 cases. Large countries such as the USA are also experiencing the impact of this covid-19 pandemic, Aguinis et al.'s 2020 research instills a CSR perspective in the 2020 pandemic so that the Latin American industry understands what must be done to provide the right actions and decisions for the community, especially employees. Steps that can be taken to stimulate MSMEs are one of the right steps at this time (Iswari and Muharir, 2021); Sari (2020). Community empowerment is the first order needed under current conditions in addition to capacity building and donations (Sitorus and Rahmad, 2020).

Conclusions, Proposals, Recommendations:

The conclusion of this study is that the impact of the pandemic is felt by the whole world, including Indonesia. The steps that must be taken by companies that still survive are the highest, namely the Food and Beverage industry, which is appropriate in distributing CSR to the community. Only 4 companies that do not specialize in CSR for COVID-19, the rest there are 16 companies that have taken concrete actions to employees and the community. Suggestions for companies that have not implemented CSR specifically for those affected by COVID-19 are expected to add further programs.

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