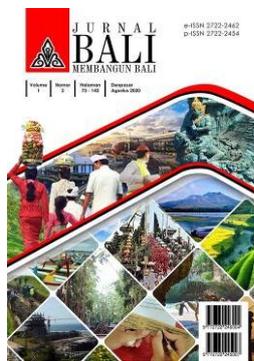




Hotel's CSR Implementation Based on PROPER Program for Sustainable Tourism Development

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Abstrak

Tujuan: Tujuan penelitian ini adalah untuk mengetahui pelaksanaan tanggung jawab sosial perusahaan (*corporate social responsibility* atau CSR) untuk pengembangan pariwisata berkelanjutan di sebuah hotel dan dampak CSR terhadap masyarakat dan lingkungan.

Desain/metodologi/pendekatan: Data primernya adalah Departemen Sumber Daya Manusia dan karyawan di The Oberoi Beach Resort Bali, serta masyarakat yang dapat memberikan informasi tentang CSR. Data sekunder diambil dari buku, artikel jurnal, dan website.

Temuan: Ada dua aspek CSR yang dilakukan oleh The Oberoi Beach Resort Bali, yaitu Charitative Based CSR (Charity Philanthropy) dan CSR Based Social Activities (Social Activity). Pelaksanaan CSR berdampak pada keberlangsungan perusahaan.

Implikasi: Program CSR perlu ditingkatkan agar programnya lebih beragam guna memenuhi seluruh implementasi CSR di Indonesia.

Kata Kunci: hotel, tanggung jawab sosial perusahaan, program pemeringkatan kinerja perusahaan.

Abstract

Purpose: The purpose of this research is to know the implementation of corporate social responsibility (CSR) for sustainable tourism development in a hotel and the impact of the CSR on society and the environment.

Design/methodology/approach: Its primary data is the Human Resources Department and employees in The Oberoi Beach Resort Bali, as well as the community that can provide information about the CSR. The secondary one is taken from books, article journals, and websites.

Findings: There are two aspects of CSR carried out by The Oberoi Beach Resort Bali, namely Charitative Based CSR (Charity Philanthropy) and CSR Based Social Activities (Social Activity). The implementation of CSR has an impact on the sustainability of the company.

Implications: It is necessary to increase CSR programs so that the programs will be more various in order to fulfill all CSR implementations in Indonesia.

Keywords: hotel, corporate social responsibility, company performance rating program.

INTRODUCTION

The role of the tourism sector as one of the economic actors in Indonesia does not only focus on corporate financial profits but also on economic, socio-cultural and environmental aspects that need to be considered. As we know, the hotel industry has

grown rapidly so that hotel services have become a commodity as a differentiator between services offered by a hotel and other hotels (Sofyan, 2017).

In developing sustainable tourism, company must be able to increase community empowerment, focus on total social responsibility (Sofyanty et al., 2017). If only two aspects are sustainable then this condition is not called sustainable tourism (Bithara et al., 2020). Therefore, companies need to build good social relationships between companies, communities and the environment. In the principle of responsibility, emphasis is placed on the interests of the company's stakeholders. Companies are required to actively participate in paying attention to the interests of the company's stakeholders, create value added from products and services for company stakeholders and maintain the added value they create (Uljanati, 2016).

The obligation of tourism companies is to contribute in implementing CSR in developing a sustainable tourism industry (Mattera & Moreno Melgarejo, 2012). In the concept of ethical sustainable development, it is included in ethical theory, because it states that sustainable development aims to answer the needs of the present without threatening the ability to protect future generations (Kurnia et al., 2020). CSR also implies that the company has a moral duty to act honestly, obey the law, uphold integrity and not be corrupt. So that companies are required to develop ethical and sustainable business practices economically, socially and environmentally so that they can have a positive impact on the company, namely gaining the trust of the surrounding community, building the company's reputation, improving relations with stakeholders and sustainable conditions (Amerta et al., 2018).

Corporate social responsibility (CSR) is a long-term program that, although the result is not an instant gain, the result is a good image in society. The CSR program is a corporate social responsibility which is expected to provide positive benefits to the community surrounding the company and society at large (Ariastini & Semara, 2019). This CSR program is intended so that business people, both industrial and corporate sectors, can play a role in healthy economic growth, by paying attention to environmental factors. CSR globally is not only interpreted as a charitable or charitable activity or a voluntary attitude by the company. However, the new CSR paradigm leads to a form of commitment from a company, in carrying out responsibility or feedback (feed-back) to the community and the environment, as well as sustainable independent economic development (Pranoto & Yusuf, 2014).

Corporate social responsibility is more than just a way to achieve economic results because through these activities the company can develop and manage good relationship with stakeholders and create value for shareholders indirectly (Purnomo & Widianingsih, 2012). Integration of CSR into business will help make business happen

globally, be aware of environmental problems and needs, indirectly influence every industrial decision and promote the development of a substitute for energy sources (Medarevic, 2012). This is because, in the long term, consumers will assume that if they use the company's products or services, they will also be involved in social activities as a commitment to the company's responsibility towards the environment and society. Community participation as a trigger for independence and the empowerment process is a very important component. The community has a very important role in it, especially in programs based on independent economic development and community empowerment (Pranoto & Yusuf, 2014).

A phenomenon that often occurs in Indonesia, especially in the hotel industry, shows that there are still many companies that have not fully implemented CSR properly and there are still rarely companies that involve social responsibility activities in their corporate activities. Whereas in Chapter V Article 74 of Law Number 40 of 2007 concerning Limited Liability Companies (Undang-undang Perseroan Terbatas or UUP) regulates Social and Environmental Responsibility, in which companies that carry out their business activities in fields related to natural resources are required to carry out social and environmental responsibility. With this, in building the economy, companies should not ignore the harmony and balance of the surrounding environment. The development of the tourism sector in Bali can be seen soaring high because it is supported by the construction of various tourist accommodations such as hotels, villas, tourist huts, and restaurants.

Due to data from Badan Pusat Statistik (Central Agency of Statistics) of Bali Province (2019), development for non-star hotels, star hotels, and other accommodation has reached 3,912 with a total of 72,016/room. As a result of these conditions, Bali is facing a sizeable conversion of land use as well as a growing presence of tourism accommodation. This can have both positive and negative impacts on the local community. The positive impacts such as creating jobs, broadening people's insights, and encouraging the improvement of education and skills of the surrounding communities. Apart from the positive things above, the negative impacts such as companies causing environmental degradation (pollution, arbitrary actions, haram food products, air pollution, radiation, increased spread of viruses, and the like), which end in the emergence of social and political problems. For this reason, companies must not develop themselves without paying attention to the environment. The company has an obligation to strive for a balanced policy in decisions and actions that are in accordance with the goals and interests of the values of the community.

The Indonesian government has issued a number of policies regulating the environment since 1982. The legal basis for environmental management in Indonesia

is Law no. 32 in 2009. The government has also strengthened environmental management for companies in Law no. 40 of 2007 concerning Limited Liability Companies in the number of articles 3 and article 74, where the company also plays a role in the social and environmental responsibility sectors. In addition, since 2002, MOE (Ministry of Environment) has organized PROPER (Company Performance Rating Program in Environmental Management or Program Penilaian Peringkat Kinerja Perusahaan dalam Pengelolaan Lingkungan) which aims to encourage increased corporate compliance in environmental management and on a sustainable basis. The number of hotels that have developed in Bali has made competition in this suave industry even tighter and more competitive. It is necessary to change the paradigm in order to compete. The paradigm shift in the hospitality industry in the country has implemented standards and criteria and promoted sustainable management that is environmentally sound. This is a positive phenomenon and has a significant reverse effect on the sustainability of the hotel industry itself.

The Oberoi Beach Resort Bali is one of the companies engaged in the hotel industry chosen by the Ministry of Environment and Forestry, in implementing the PROPER program (Company Performance Rating Program). PROPER is the flagship program of the Ministry of Environment and Forestry to encourage industry compliance with environmental regulations (Fahmawati & Purnaweni, 2018). The PROPER program is one of the government's efforts to supervise and protect the environment. The implementation of PROPER has been regulated in Ministerial Regulation No. 3 of 2014 concerning PROPER. As for the requirements given by the Ministry of Environment and Forestry in implementing the PROPER Program, companies must control and reduce pollution, manage waste, and so on. The PROPER assessment aspect is seen based on compliance with regulations on water pollution control, air pollution control, B3 waste management, AMDAL and marine pollution control. This provision is mandatory to be fulfilled. If the company complies with all of these regulations (in compliance) it will receive a blue rating, otherwise it will be red or black depending on the aspect of non-compliance (Rakhiemah & Agustia, 2009).

Based on this background, in implementing CSR activities reviewed by the Ministry of Environment and Forestry through the PROPER Program, the authors are interested to research further about the implementation of corporate social responsibility activities that have been carried out by The Oberoi Beach Resort Bali. The purpose of this study was to determine how much The Oberoi Beach Resort's compliance has increased in environmental management based on the implementation and activities of social responsibility based on the PROPER program.

RESEARCH METHODS

The research uses a qualitative method. The qualitative method is a method that intends to understand the phenomena experienced by research subjects such as behavior, perception, motivation, action, presented by means of descriptions in the form of words and language, in a context by utilizing various natural method (Moleong, 2016).

Data collection techniques in the results are carried out by means of observation, interviews, and documentation. Sources of data in this study cover primary data and secondary data. Primary data is carried out through direct interviews with related parties such as the Human Resources Department, employees, and the community who can provide information about the implementation of CSR at The Oberoi Beach Resort. That secondary data is data that is indirectly related to respondents (Sulistya & Ginaya, 2020). Secondary data in this study were obtained through company documents, journals, books and articles and can be obtained by accessing the website.

RESULTS AND DISCUSSION

Based on the PROPER Program (Company Performance Rating Program) held by the Ministry of Environment and Forestry. The Oberoi Beach Resort Bali has implemented several corporate social responsibilities (CSR) program as follows.

Charitative Based CSR (Charity Philanthropy)

Philanthropy is an act of someone who loves fellow human beings and values humanity, so that they donate their time, money and energy to help others. Examples of the implementation of this type of CSR are usually in the form of assistance during natural disasters, basic food assistance, assistance to the surrounding community, scholarships, and product distribution. The forms of CSR implementation in this type that have been implemented by The Oberoi Beach Resort Bali include below information.

a. Assistance for Victims of Natural Disasters

In the past few years, natural disasters have occurred frequently in Indonesia, ranging from earthquakes, volcanoes to small tsunamis. As a result, many of our brothers and sisters were in distress because of their needs for clothing, food and shelter, affected by this natural disaster. This has prompted many parties, one of which is The Oberoi Resort Bali to help our brothers and sisters who are in trouble.



Figure 1. Assistance for natural disaster victims
[Source: The Oberoi Beach Resort Bali, 2020]

The Oberoi Beach Resort Bali also raises funds to donate to areas affected by natural disasters, as in Figure 1 it can be seen that in October 2017, this hotel made donations in the form of cash and gifts for Mount Agung eruption refugees and in September 2018 as well. Do the same to help victims of the earthquake disaster in Lombok.

b. Donations

The company provides direct donations in the form of charity (voluntarily) to certain circles of society. These donations are usually in the form of cash giving and gifts or assistance packages.



Figure 2. Donations in the Dharma Jati Orphanage
[Source: The Oberoi Beach Resort Bali, 2020]

The Oberoi Beach Resort Bali has made donations in the form of cash and gifts regularly every year to the Development Foundation for Children with Disabilities (YPAC) and the Orphanage. Based on Figure 2, it can be seen at The Oberoi Beach Resort Bali visited the Dharma Jati Orphanage to give donations in the form of food ingredients, clothes, books and stationery as well as donating washing machines to YPAC Jimbaran in November 2018.

c. Assistance to the Surrounding Community

The Oberoi Beach Resort Bali regularly makes donations every month to help build existing infrastructure in Banjar Basangkasa, Seminyak. The human resources used to help make prayers at the hotel every day come from local residents who are employed by the hotel. In addition, every time there is a religious activity at The Oberoi Beach Resort Bali, always use Saka Gong from some *banjar* (sub-village) around the hotel. The Oberoi Beach Resort Bali also helps supply electricity to Dalem Khayangan Temple which is in front of the hotel when a religious event is being held at the temple and provides punia funds to the Petitenget Temple which is near the hotel.

d. Scholarship

Scholarships are gifts in the form of financial assistance given to individuals with the aim of being used for the continuation of the education pursued. Scholarships can be given by government agencies, companies or foundations.

The Oberoi Beach Resort Bali's first scholarship in collaboration with the Bali Hotel Association (BHA) to provide scholarships to hotel employees called the BHA Scholarship. Another scholarship is a scholarship that is directly held by The Oberoi Group called the Oberoi Center of Learning and Development (OCLD) Scholarship, where The Oberoi Group will make selections for hotel employees from The Oberoi Group and the general public who are interested in participating in the selection. After passing the selection, participants who qualify will be sent to the OCLD education center in India to attend two years of education. After graduating, you will immediately be bound by a contract to work at hotels owned by The Oberoi Group, with a minimum of five years of work contract.

This last scholarship is the newest activity carried out by The Oberoi Beach Resort Bali. This activity is in collaboration with YAPC and only started in July 2019. Aimed at raising the enthusiasm of children with disabilities to continue to pursue their dreams, therefore The Oberoi Beach Resort Bali held a foster care activity and scholarships for children at YPAC can go to school further to make this happen. This

year, the scholarship was awarded to two YPAC children who have a lack of mobility, namely their legs for college, where the two children have been accepted at the University of Hindu Indonesia in the Arts Department and are now in their second year. The form of the scholarship provided is in the amount of USD 1,000 for the two children per year.

After graduating from college, these children are also likely to be recruited by The Oberoi Beach Resort Bali to fill art performances held by the hotel, because apart from providing scholarships this hotel also employs people with special needs. Until now, there have been four hotel employees who have special needs, namely one person in the Housekeeping Department, one person in the Food & Beverage Service Department, one person in the Accounting Department, and one person in the Kitchen Department.

CSR Based on Social Activities

Social activities are a strategy for implementing social responsibility with service assistance to help alleviate society. The company supports and encourages employees to volunteer their time to carry out social activities to help society and protect the environment. Examples of this activity include blood donation, counselling, or the provision of free services. The forms of CSR implementation in this type that have been implemented by The Oberoi Beach Resort Bali, include:

a. Blood Donation

Blood donation is an attempt by someone to give some of their blood which is transfused to other people in need. The decision to donate blood through blood donation can save one life or even several lives at a time.



Figure 3. Blood donation activities
[Source: The Oberoi Beach Resort Bali, 2020]

The Oberoi Beach Resort Bali routinely carries out Blood Donations every six months which is usually coupled with the Hotel Anniversary activity or New Trainees Orientation in collaboration with PMI Tabanan Regency.

b. Health Socialization

Health socialization is an activity to increase knowledge that is intended for the community through disseminating messages. Companies provide funds or other resources to increase public awareness of a social activity. The program that has been implemented by The Oberoi Beach Resort Bali is related to the above, namely together with Badung Regency KPA to conduct anti-discrimination socialization against HIV sufferers, not only to hotel employees but also to support KPA in the form of installing banners in the Bale Banjar around Badung.

c. Cleaning Beaches and Its Surroundings

The Oberoi Beach Resort Bali has carried out several CSR activities related to the environment. The hotel collaborates with several organizations, including Clean Seminyak, One Voice One Island, and International Coastal Cleanup. Clean Seminyak is a community that aims to clean up the beaches around hotels that follow this community. This community is followed by several hotels around Seminyak. This activity is realized by gathering and spending funds once a month in the amount of IDR 5,000,000.00 / month which is paid once every three months, which is used to recruit work groups that will clean the beaches in Seminyak and Petitenget areas every day.

d. Cleaning Holy Places

The company supports and encourages employees to set aside their time voluntarily to help local community organizations and communities that are program targets for a social activity.



Figure 4. Cleaning the holy place in Pura Dalem Tamblingan
[Source: oberoihotels.com, 2020]

The Oberoi Beach Resort Bali has embraced its employees to participate in carrying out social activities to help certain organizations, one of which is *ngayah* activity. *Ngayah* is working sincerely without expecting payment. This hotel has participated in *ngayah* activities several times, such as *ngayah* at Pura Besakih in February 2019 and *ngayah* Tari Rejang Renteng at Pura Dalem Khayangan in June 2019. In addition, The Oberoi Beach Resort has also participated in *mereresik* (cleaning) activities with the Tri Hita Karana Foundation at Pura Puncak Padang Dawa.

e. Nature Conservation

Conservation of natural resources, such as recycling of glass, iron, oil, water and paper, is carried out by the hotel with the help of third parties to carry out recycling in collaboration with Eco Bali and Nusa Sari Permai. All waste is taken by Nusa Sari Permai (NSP) working group, which will manage the waste to zero waste. Then the oil will be taken by collectors who will later use it for energy or bio-energy sources. The recycled material used by the company is compost only.

In addition, The Oberoi Beach Resort Bali also carries out other activities such as planting trees around Tamblingan and conducting turtle conservation. The beach that is owned by this hotel is often visited by turtles to lay eggs which encourages this hotel to carry out conservation of turtles.



Figure 5 Turtle conservation activities
[Source: the oberoibeachresortbali instagram, 2020]

The beachfront The Oberoi Beach Resort Bali is famous for its nesting grounds for Olive Ridley turtles. Every year during the nesting season between April and October the turtle eggs will be brought to the turtle farm owned by the hotel and after 42 days the turtles will be released into the sea. This turtle release activity was attended by guests from The Oberoi Beach Resort Bali so that this activity became one of the hotel attractions. The resort's conservation program has been started since

2011. The resort team itself has released approximately 6,018 turtles a year. This plays an important role in the protection and conservation of Olive Ridley turtles in the area.

CONCLUSION

Through the PROPER Program organized by the Ministry of Environment and Forestry, The Oberoi Beach Resort Bali has implemented two aspects of CSR activities. First, Charitative Based CSR (Charity Philanthropy) such as providing assistance to victims of natural disasters; giving donations in the form of cash, basic necessities or other gifts to orphanages and foundations; Providing assistance to the community in the form of mandatory donations to assist in the development of Banjar Basangkasa infrastructure, employing local communities to help pray at the hotel every day and using *seka gong* (traditional music group) from *banjars* around the hotel when there are religious activities at the hotel temple.

Second, CSR Based Social Activities (Social Activity), such as carrying out blood donations every six months, conducting health socialization about HIV together with KPA in *banjars* around Badung, cleaning up the beach and road areas around Seminyak, cleaning up holy places such as at Besakih Temple, Puncak Padang Dawa Temple and *ngayah* Tari Rejang Renteng at Dalem Khayangan Temple, implementing a zero-waste system and conserving turtles.

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