

INFLUENCE OF CORPORATE SOCIAL RESPONSIBILITY (CSR) PT. SMGP ON COMMUNITY WELFARE AT PUNCAK SORIK MARAPI

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ABSTRACT

This research aims to determine the influence of Corporate Social Responsibility (CSR) of PT. SMGP towards Community Welfare in Puncak Sorik Marapi. The research method used was quantitative with random sampling techniques, the research sample was 98 respondents. Data analysis in this study uses a validity test with person correlation results for each question point $> r$ table so that it can be stated that all points are valid, while the reliability test on variable X is 887 and variable Y is 735, the normality test is normally distributed because Asymp.sig (2-tailed) is $0.200 > 0.05$, and the linearity test proves there is a linear relationship because the deviation from linearity value is > 0.05 . Testing the hypothesis of this research using the t test obtained t-count 10,191. This shows that there is an influence of Corporate Social Responsibility (CSR) on community welfare in Puncak Sorik Marapi District. and the coefficient of determination test results show 0.520, this provides an assumption that the influence of CSR on community welfare is 52.0% while the rest is influenced by other factors outside the research.

Keywords: Corporate Social Responsibility; Community Welfare

INTRODUCTION

Community welfare is a condition where basic needs are met as reflected in a decent house, adequate clothing and food needs, cheap and quality education and health costs or a condition where each individual is able to maximize his utility at a certain budget limit level and a condition where physical and spiritual needs are met (Dura, 2016).

Indicators of community welfare are education that is becoming more accessible and the quality of health is increasing and being more evenly distributed. Welfare theory The Grand Theory of welfare, namely the Welfare State according to Bentham (1748–1832) promotes the idea that the government has the responsibility to guarantee the greatest happiness (welfare) of the greatest number of their citizens. Bentham used the term "utility" to explain the concept of happiness or well-being. Based on the principle of utilitarianism that he developed, Bentham argued that something that can cause extra happiness is something good, whereas something that causes pain is bad.

CSR (Corporate Social Responsibility) is the company's responsibility to participate in long-term economic development, carrying out joint tasks between company employees, employee families, local associations and associations as a whole. CSR is the responsibility

of companies or the business world to participate in long-term economic improvement by observing corporate social responsibility and focusing on equality between attention to social, economic and environmental aspects. (Mapisangka, 2009) A form of corporate responsibility is the company's compliance with applicable regulations, including tax issues, industrial relations, occupational health and safety, environmental protection, and maintaining a conducive business environment with the community. By applying this principle in its operational activities, companies have a role in being responsible not only to shareholders but also to their stakeholders.

The 1945 Constitution paragraph (2) which requires every company to carry out social responsibility is located in CHAPTER XIV article 33 concerning Social Welfare which reads: Article 33 states the Basics of Economic Democracy, production is carried out by all, for all under the leadership or supervision of members of society. It is the prosperity of society that takes priority, not the prosperity of each person. Therefore, the economy is structured as a joint effort based on the principle of kinship. an economy based on economic democracy, prosperity for everyone.

Law Number 40 of 2007 concerning Limited Liability Companies (PT). This law refers to CSR as social and environmental responsibility. Referring to article 74 of the PT Law, carrying out social and environmental responsibilities is the obligation of companies carrying out business activities in the fields and/or related to natural resources.

Based on these provisions, the 2007 Law in chapter V PT regulates limitations regarding companies that are required to implement CSR, namely those whose business activities are in the field of natural resources or are related to natural resources. Companies as one of the economic actors certainly have a very important role in the survival of the economy and society at large. Although they have played an important role in creating jobs, wealth, products and services, the pressure on businesses to play a role in social issues involving employees, stakeholders, society, the environment and government continues to increase. In terms of sustainability and balance, companies cannot stand alone. The existence of a company cannot be separated from society as its external environment. One company that is related to the community environment is the company PT. SMGP in Puncak Sorik Marapi District.

PT. SMGP (Sorik Marapi Geothermal Power) is a subsidiary of OTP Geothermal, a geothermal power plant located in Puncak Sorik Marapi District, Mandailing Natal Regency. In 2010, the four companies formed two new companies. PT. Geothermal Servis Indonesia (Andy Kelana 5%, Origin 45%, Tata 45%) and PT Sorik Marapi Geothermal Power (PT Supraco 5%, Origin 45%, and Tata 45%). In the spirit of Presidential Regulation Number 4 of 2010 and Minister of Energy and Mineral Resources Regulation Number 2 dated January 27 2010 concerning the acceleration of power plant development in Indonesia,

the Regent of Mandailing Natal issued a Mining Business Permit (IUP) in September 2010 to PT. Sorik Marapi Geothermal Power.

The results of Hamzah's research entitled "The Influence of Corporate Social Responsibility (CSR) on Company Image (Case Study at PT. Sorik Marapi Geothermal Power) concluded that CSR has a negative and insignificant effect on the Company Image of PT Sorik Marapi Geothermal Power in the CDCR (Community Development) program (Community Relations). Thus, it can be concluded that a good image will be influenced by the progress of all the company's CSR program activities, whereas if all the company's CSR program activities are not running, the company's image will not be good in the eyes of the public.

In the development process of a company, it is not only seen from the aspect of the company's internal public, but the existence of the external public also greatly influences the company's development. PT. Sorik Marapi Geothermal Power in establishing relationships with the internal public and external public is bridged by the Public Relations or Public Relations section which is the management of information so that effective communication can be established between the company, stakeholders and the audience or community. As stated by Anggoro Linggar, Public Relations or Public Relations is an effort to create a harmonious relationship between an agency or organization and the community through a reciprocal or two-way communication process. This harmonious relationship arises from mutual understanding, mutual confidence and a good image. (Lingar, 2000). In developing good relationships with external parties, PT. SMGP provides CSR to the community every year starting from 2018 to 2022. As can be seen in the following table:

Table 1
PT SMGP CSR in Puncak Sorik Marapi District

No	Village	CSR type
1	Sibanggor Julu	Road repairs, procurement of seeds, empowerment of catfish by Naposo nauli Bulung, and asphaltting of highways
2	Sibanggor Tonga	Providing budget for MDA (Madrasah Diniyah Awaliyah) fences, expanding waqf land, repairing mosques, forming farmer groups, empowering catfish, and compensation IDR 5,000,000/month
3	Sibanggor Jae	Providing corn seeds, procuring fertilizer, building mosques and developing Micro, Small and Medium Enterprises (MSMEs)
4	Hutalombang	Providing a budget for junior high school (Junior High School) fences, assistance for orphans, assistance for farmer groups/providing seeds and building construction

Source: village head in Puncak Sorik Marapi sub-district

CSR can form a close, mutually beneficial relationship between companies and society by making policies or carrying out activities that can improve people's welfare,

quality of life and competence in various fields. CSR funds can be used to improve the community's economy and CSR also helps companies not only with their image but also good relations with the community which is expected to have an impact on community welfare.

PT SMGP has provided CSR (Corporate Social Responsibility) to the community in Puncak Sorik Marapi District in the form of compensation for orphans, organizing farmer groups, infrastructure, for example building a secretariat for Naposo Nauli Bulung and building construction to help the welfare of the community in Puncak Sorik Marapi District.

RESEARCH METODHS

This research method is quantitative where the type of quantitative research is one that emphasizes the analysis of numerical data (numbers) which are processed using statistical methods. This research uses a quantitative approach, namely research that obtains data in the form of numbers and analyzes using statistics. Basically, a quantitative approach is carried out in inferential research (hypothesis testing) and relies on the conclusion of the results on an error probability of rejecting the null (nil) hypothesis. With quantitative methods, the significance of group differences or relationships between the variables studied is obtained. In general, quantitative research is large sample research.

Population size is the total number that includes all members studied. For this reason, in collecting data and analyzing data, determining the population is an important step. The population in this research is the Puncak Sorik Marapi community which consists of villages, namely the villages of Sibanggor Julu, Sibanggor Tonga, Sibanggor Jae, and Huta Lombang. For more details, see the following table:

Table 2.
Research Population

No	Village	Total population		
		Man	Woman	Total
1	Sibanggor Julu	810	927	1765
2	Sibanggor Tonga	393	392	785
3	Sibanggor Jae	662	651	1313
4	Huta Lombang	447	581	1028
	Amount	2342	2549	4891

Source: Puncak Sorik Marapi Subdistrict Office

This research sample is part of the number and characteristics of this population. The sample used was probability sampling with the method taken being Random Sampling where the sample was carried out randomly with data collection instruments using quantitative analysis (Prasetyo and Jannah. 2005). The sample for this research was the community in Puncak Sorik Marapi District.

The formula for calculating the sample size from a known population was proposed by Slovin in Setiawan, namely:

$$n = \frac{N}{1+(N.e^2)}$$

Note:

- n : number of samples
- N : population number
- e : percentage of allowance for accuracy of sampling error or (10%)

So the number of samples is obtained with the following calculations:

$$n = \frac{4891}{1+4891 (0,01)} = 98$$

Note:

- n : number of samples
- N : 4891
- e : 10%

So the number of samples taken in this study was 98 people.

RESULTS AND DISCUSSION

Normality test

The Normality Test is used to determine whether the data for variables X (CSR Influence) and Y (Community Welfare) is a normal distribution or not. This test uses the one-sample Kolmogorov-Smirnov technique with a significance level of 0.05. And it is declared a normal distribution if the significance is greater than 0.05.

Table 2.
Normality Test

Asymp. Sig. (2-tailed)	Alpha	Information
0,200	0,05	Data is normally distributed

Source: results of data processing using SPSS 23

Based on the table above, through the tests that have been carried out, the value of Asymp.sig can be determined. (2-tailed) is 0.200. So, it can be concluded that the normality test above has a normal distribution because the Asymp.sig value. (2-tailed) of $0.200 > 0.05$.

Hypothesis test

1. t-test

The t test is used to determine whether the independent variable partially influences the dependent variable. The significant level or rate used is 5% (0.05).

Table 3.
t-tes

t_{test}	t_{table}	Sig.	Alpha	R_{quare}	Information
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10,191	1,660	0,000	0,05	0,520	H _a is accepted
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Source: results of data processing using SPSS 23

Based on the partial test results in table 4.16, it can be seen that the calculated t value is greater than t table or $10,191 > 1,660$ then H_a is accepted, meaning that there is an influence of CSR on the welfare of the community in Puncak Sorik Marapi District.

Based on the table above, it can be seen that the coefficient of determination results show 0.520. This assumes that the influence of variable X and variable Y is 52.0% while the rest is influenced by factors outside this research.

Discussion

This research was conducted in Puncak Sorik Marapi District, this research was conducted to see the influence of CSR on Community Welfare in Puncak Sorik Marapi District, this research was carried out and tested with data obtained from the community population in Puncak Sorik Marapi District of 4891 people and samples were taken based on Slovin formula to obtain 98 respondents. In this research there are two variables, namely the independent variable (CSR Influence) and the dependent variable (Community Welfare), in this research it is said to be valid and reliable based on the validity test and reliability test carried out using SPSS version 23.

Based on the results of research that has been tested from each respondent's data that has been collected, it can be seen that the community in Puncak Sorik Marapi District is dominated by men. This can be seen from the results of data processing where 52% of respondents are male while 48% of respondents are female. , while for the classification of respondents based on age, it can be seen that the people's age is 20-30 years (25.5%), 31-40 years old with a percentage (20.4%), 41-50 years old with a presentation (23.5%) and aged 51-60 years with a percentage (30.6%). Meanwhile, for the classification of people in Puncak Sorik Marapi District based on their last education, the most dominant are people whose last education is high school with a percentage of 50.0% (49 respondents).

The questionnaire distributed consisted of 5 questions for each indicator of variable X and variable Y, so the total of all questions was 20 questions. Each respondent is free to determine the answer to the question given by choosing one of the answers provided. The results of the questionnaire that the researchers distributed to respondents (98 people in Puncak Sorik Marapi District) showed that in variable as many as 263 points, 78 points disagree, 16 points disagree and 10 points strongly disagree. Meanwhile, the results from variable Y were mostly agree, namely 603 points with a percentage of 62%, strongly agree with a total of 226 points (23%), disagree with 114 points (12%), disagree with 26 points (3%) and strongly disagree as much as 11 points (1%).

To test whether a question is valid or not, you can find out by carrying out a data validity test by comparing the calculated r and r table values. In this study, the results of the data validity test with the person correlation results for each question point are 0,1986So

because the value of each point $> r$ table, it is declared that all points are valid. Next, the data reliability test is used for Cronbach alpha. The results of the data reliability test in this study are 735 for variable X while for variable Y it is 887, so because the Cronbach alpha test value $> r$ table it can be declared reliable.

Each respondent was declared normally distributed so it was suitable to be tested. This can be proven by the results of data normality testing carried out where the test results found values *Unstandardized Residuals* of 0.200. Thus, the test results are declared to be normally distributed because they have an Unstandardized Residual value of > 0.05 .

Next test is a data linearity test. In the data linearity test, the Test For Linearity is used by looking if the deviation from linearity value is > 0.05 then there is a linear relationship. Through the tests that have been carried out it can be seen that the deviation from linearity value is 0.458, so there is a linear relationship because of the deviation from value. linearity > 0.05 .

Furthermore, the results of hypothesis testing, in simple linear regression analysis, the results of testing the values of a and b, can obtain the regression equation, namely $Y = a + Bx = 15,924 + 0.590X$. So it can be seen that the constant value is 15.952, which means that if there is no variable X (CSR Influence) then Community Welfare is 15.952. Meanwhile, the b value of the regression coefficient is 0.590, which means that variable

The results of this research are relevant to research conducted by Syaniatul Wida (2017). This research suggests that the Corporate Social Responsibility (CSR) Program carried out by PT. Telkom Bandar Lampung has been able to improve community welfare. Other research that is relevant to this research is research conducted by Armadi Hamzah (2022). This research suggests that Corporate Social Responsibility (CSR) has a negative and insignificant effect on companies at PT. Sorik Marapi Geothermal Power in the CDCR (Community Development Community Relations) program.

CONCLUSION

After conducting research, the researchers concluded that CSR had an influence on the welfare of the community in Puncak Sorik Marapi District, as evidenced by the correlation test between variables X and Y of 0.695. Meanwhile, it is significant in the correlation test of 0.000, thus determining whether variables X and Y have an influence. So the formula is used if person correlation $> r$ table then there is an influence, whereas if person correlation $< r$ table then there is no influence. In this study, the correlation results were 0.695 $> r$ table (0.198), so there is an influence between variables X and Y.

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