

***Sub Theme: Regional Governance***

**The Empowerment of Tourism Community  
Through Corporate Social Responsibility (CSR) Program**

**Djoko Putro Utomo<sup>1</sup>, Ravik Karsidi<sup>2</sup>, Ismi Dwi Nurhaeni<sup>3</sup>, Drajat Tri Kartono<sup>4</sup>**

<sup>1,2,3,4</sup>Universitas Sebelas Maret Surakarta, Indonesia

**Abstract**

Community empowerment has an important role in building sustainable tourism. One of the plans used for community empowerment in tourism areas is the implementation of Corporate Social Responsibility (CSR) which involves the implementation and participation of the community in program activities. This study aims to define and describe community empowerment in tourism areas through the implementation of Corporate Social Responsibility (CSR). The research method used is descriptive qualitative with a single embedded case study. The results of this study are: (1) CSR profile of Bank Jatim (East Java Bank), (2) tourism community empowerment based on the CSR program, (3) the implementation of CSR program in tourism area of Pancer Door Beach, and (4) the results of the tourism community empowerment in Pancer Door Beach from CSR program.

**Keywords:**

community empowerment; tourism; corporate social responsibility

**Introduction**

Based on the community development principles, it is clear that the community empowerment issue is the spirit or soul of community development. According to Aiyer et al. (2015), Jickling (2016), and Gobby & Niesche (2019), community empowerment essentially covers two aspects, such as giving authority to other parties and providing capability or empowerment to other parties. The use of terminology used in the community empowerment context is often suspected to be the cause of the slow process of community empowerment itself. It contains meaning that there are superior parties (givers) and inferior parties (recipients). Therefore, many parties prefer to use constructive terminology in interpreting community empowerment. Thus, there will be an equal horizontal relationship between the facilitator and the community (Balakrishnan et al., 2020).

To empower the tourism community, there are at least four main activities that must be carried out according to Hadiyanti (2016). First, increasing the awareness on the critical position of society in the socio-political structure. This attempt is based on the assumption that community poverty stems from the social construction that exists within the community itself. Second, with critical awareness, it is hoped that the community will be able to make arguments against various kinds of exploitation and at the same time, be able to make decisions. Third, community empowerment attempts are carried out by increasing the capacity of the community in various factors such as social, political, economic, cultural, and even security. Fourth, community empowerment also needs to be linked with social and cultural development as an invisible sector to organize community life.

As an approach based on initiatives and community involvement, it must appear in the whole process of implementing empowerment, starting from identifying needs and problems, formulating and planning programs, implementing programs, evaluating programs, and obtaining program benefits. Community involvement is the main element of the concept of participation. Steffek et al. (2008) emphasized that community participation in development can be created if mutual trust and understanding are fostered between the community and all development actors. This attempt is not easy because it must be based on the principles of interdependence, mutual need, mutual solidarity, and honesty.

In line with the empowerment of the tourism community, the concept of CSR program philosophy according to Manfred and Nick (2010), Sidani (2012), and Wayne & Nick (2017) is a social obligation that is expressed in an action by adjusting the existing needs and values on society itself. Apart from that, the action is narrowed in three sectors known as the Triple Bottom Line (economic prosperity, environmental, and social justice). Community empowerment through CSR programs is participation in all stages of development, planning, implementation, production, enjoyment, and preservation. Thus, through CSR programs, it is included in attempts to affirm and in the social responsibility of a corporate in the form of activities that are managed by placing the community as the subject of actors at every stage of the plan (Coombs & Holladay, 2012).

The description of CSR in this study was organized by Bank Jatim (East Java Bank) through CSR program which is an activity owned by Bank Jatim as a concern on one of the sectors of Pancer Door Beach tourism area in Pacitan Regency. CSR program is a social and

environmental responsibility in Bank Jatim's commitment carried out by the Corporate Society as an organizational unit responsible for managing the subject of the local community and society whose scope includes education, culture, health, and social sectors.

The tourism sector has an important role for a country. Piartrini (2018) claimed that tourism includes interactions of individuals from different regions and cultures with the local community, which creates a social and economic relationship. Schubert et al. (2011) also stated that international tourism has a positive influence on increasing long-term economic growth therefore, the local community is actively involving in the tourism sector, and finally, it can improve the welfare of the community it self.

Implementing sustainable tourism development is crucial and requires the involvement of local communities (Atmaca et al., 2019). As revealed by Albrecht (2010) that the involvement of the local community in planning is determined by their perception of tourism development itself, including how the potential economic, social, and environmental impacts on their livelihoods. Therefore, as a form of sustainable tourism is through CSR program which includes community empowerment and their participation. Kontogeorgopoulus et al. (2014) also stated that participation is the key in the CSR program process, in this case, it cannot be separated from community participation.

According to Tolkach et al. (2015) and Gunarekha et al. (2017), tourism is a strategy in reducing poverty. It is also stated by Scheyvens (2011) that tourism is a promising economic sector for poverty alleviation strategies. Lucchetti et al. (2013) explained that related to poverty alleviation, CSR programs have an important role because they support their contribution to sustainable community development.

## **Methods**

This research applies a qualitative descriptive with a single embedded case study Creswell (2009), so it tries to describe in detail the portrait of the program that has been carried out through a participatory approach. It means that by placing the program executors and the program targets as the main source of data collection about the empowerment of the tourism community through the Corporate Social Responsibility (CSR) program. The research location is in the tourism area of Pancer Door Beach, Sidoharjo Village, Pacitan District, Pacitan

Regency, East Java, Indonesia. The information and the data extracted and presented come from the views and perceptions of the program executors and the role of the community.

The technique used in this research is purposive sampling and snowball sampling. The types of data collected are qualitative and quantitative, while the data sources are related documents, informants, objects, and events. Then, the data collection technique used is in-depth interviews, participating observations, document studies, and Focus Discussion Groups (FDG).

The data analysis technique used is an interactive model belonging to Miles et al. (2014) which involves three main components, namely (1) data reduction, (2) data presentation, and (3) drawing conclusions or verification. The interactive modelling process between those components gives it an advantage because it will guarantee the objectivity and overall analysis results.

## **Result and Discussion**

### **CSR Profile Bank Jatim**

Bank Jatim has been committed to continuously growing with all stakeholders so that it can make a positive contribution to the balance and sustainability of life. Therefore, Bank Jatim dedicates every achievement to provide value and meaning for customers, society, and the environment. In addition, Bank Jatim will continue to minimize the negative impact and will also optimize the positive impact of its business on the community both inside and outside the company.

The policy of Bank Jatim's social and environmental responsibility has been implemented since 2009. Related to the implementation of social and environmental responsibility in the CSR program Bank Jatim has several forms of activities for community empowerment, such as:

#### ***Environment***

Environmental activity is an attempt to preserve nature and the environment such as reforestation, providing tree seedlings, providing facilities to maintain environmental cleanliness like a motorbike to collect garbage, garbage carts, trash cans to separate wet and dry waste, water tanker trucks, and building city parks.



### ***Employment, Health, and Safety Practices***

The practical activities of employment, health, and safety intend to improve work comfort for its employees. To support this commitment, the management has formulated policies aimed at supporting the professionalism of its employees and ensuring career paths through job appraisal mechanisms and providing competitive rewards in the financial and banking industries. Furthermore, to improve competence and professionalism is carried out through various training.

### ***Social and Community Development***

Social and community development activities take various forms, such as:

a. Education

The education sector includes the construction of educational infrastructure in the form of schools, libraries and the provision of educational facilities such as reading books and banking education training.

b. Culture

The culture sector includes sports and arts. For sports, the construction or improvement of sports facilities and sports coaching for youth and students is carried out. Meanwhile, for art, it is to preserve culture by holding local arts development as well as building or repairing places for art performances.

c. Health

The health sector includes providing health facilities such as mass circumcision and improving nutrition through the supply of additional food, especially for toddlers, pregnant women, and the elderly.

d. Social

The social sector includes the constructions of social infrastructure public facilities in the form of worship places toilets, gazebos, construction of street vendor stalls for selling facilities, provision of Micro, Small, and Medium Enterprises (MSMEs) equipment, and donation or charity for the underprivileged.

**Table 1.**  
**The Realization of the Education, Culture, Health and**  
**Social Sectors of Bank Jatim CSR Program**  
**Year 2018-2020 (in Rupiah/Rp)**

SECTORS	YEAR		
	2020	2019	2018
Education	869.256	1.239.694	506.609
Culture	5.369.360	4.113.037	2.196.004
Health	429.600	289.650	325.800
Social	8.985.315	6.624.945	8.016.926
<b>Total</b>	<b>15.653.531</b>	<b>12.267.326</b>	<b>11.045.340</b>

### *Product or Service Responsibilities*

Product responsibility activities with customer service is responsible to explain everything related to the product and its benefits as well as to explain the use of the product, rights and obligations for the product, including the position of each party, when the agreement ends, and how to resolve problems or conflicts.

### **Tourism Community Empowerment based on CSR Program**

The conceptual design of tourism community empowerment based on the CSR program can be described in 3 (three) parts, they are:

### *Program Objectives*

Bank Jatim (East Java Bank) realizes that financial service institutions have a central role in financing development. It is because about 80% of development funding comes from banks. Because of its central position, Bank Jatim took concrete steps by preparing a Sustainable Finance Action Plan in CSR program to become a superior bank and participating in driving the East Java economy that prioritizes harmony between economic, environmental, and social aspects. It was recorded in the following 2020 Bank Jatim annual report document:

"To Bank Jatim, the meaning of sustainability is running a business by prioritizing harmony between economic, environmental, and social aspects which are the key to meeting the present needs, as well as ensuring the fulfillment of the needs of future generations by fostering community empowerment."

This program has a long-term work program of 5 (five) years and a short term of 1 (one) year, including increasing market share, increasing human resource capacity and being oriented to market needs, providing optimal value for stakeholders and shareholders,

facilitate the development of Start-Up Micro, Small and Medium Corporation businesses that support environmental sustainability programs, and balance economic growth with environmental sustainability.

#### ***Tourism Community Empowerment Model at Bank Jatim***

The tourism community empowerment model through CSR is to build cooperation with the Pacitan Regency. In this case, according to Mr. Damhudi as the coordinator of CSR in Pancer Door Beach tourism area about the beginning of the program implementation in the following interview results:

"The implementation of CSR program is in collaboration with the local government, one of which is contributed to the plan for infrastructure facilities such as the construction of campgrounds, merchant kiosks, and floating mosques. In addition, it is also supported by the existence of counseling such as processing seafood for the creation of souvenirs typical of Pacitan Regency, planting Mangrove seeds, turtle cultivation in coastal areas."

From Mr. Damhudi's explanation above, it can be seen that with the implementation of CSR, the tourism potential in Pancer Door Beach is starting to be noticed although the conditions are not as busy as other tourism areas. However, this can be a breakthrough for all components of society to increase sustainable economic capacity.

#### ***Tourism Community Empowerment Strategy at Bank Jatim***

Strategy defines a comprehensive plan of how the company achieves its goals. In the implementation of CSR program, the tourism community empowerment strategy refers to 3 (three) aspects, they are a sustainable economic strategy, a sustainable environmental strategy, and a sustainable social strategy. Through those strategies, it is expected to be able to provide the maximum possible benefits for the tourism community as well as for companies in implementing their vision and mission.

### **The Implementation of CSR Program in Tourism Area of Pancer Door Beach**

#### ***The Socialization of Tourism Community***

The community of Pancer Door Beach tourism area was given socialization about CSR program such as assistance for Micro, Small and Medium Enterprises (MSME) training as skill development for the community (seafood processing), infrastructure facilities support such as (campground as a place for scouting activities, merchant stall as a place for buying and

selling businesses, floating mosques as worship places), as well as assistance for nature conservation such as giving Mangrove tree seeds and turtle cultivation.

#### ***The Development of Micro, Small, and Medium Enterprises (MSMEs)***

The development of MSMEs in Pancer Door Beach tourism area has the following several implementations:

a. Seafood processing training

Seafood processing training encourages the tourism community to become creative and independent home industry players. The training on seafood processing is that the utilization of tuna fish which is created into special food and souvenirs of Pacitan Regency, especially Pancer Door Beach tourism area such as tuna tofu as the main icon, tuna meatballs, tuna tempura, tuna ekado, tuna dimsum, tuna martabak, tuna risoles, and so on. With this training, the tourism community can be more skilled and advanced in terms of entrepreneurship.

b. Trading Business License funding

Trading Business License funding assistance for Pancer Door Beach tourism community who has a small business is crucial. It's helps small entrepreneurs to obtain legal identity in running their business under legal protection. Trading Business License acts as a guarantor, especially for small entrepreneurs to obtain funds for their business from the banking sector. So, they can continue to develop their business later.

#### ***The Development of Nature Conservation***

The development of nature conservation in Pancer Door Beach tourism area has the following several implementations:

a. The action of planting thousands of Mangrove seeds

Members of the CSR division together with the coordinator gave 16,000 (sixteen thousand) Mangrove seedlings to the tourism community of Pancer Door Beach after a deliberation. It can be seen that Mangrove is one kind of a complex, tight, and dense plant species, so that they function to trap the lees of organic substance and sediment carried by seawater from the mainland. Mangrove tree roots also protect the coast from the danger of erosion and overcome the poor ecosystem in coastal areas and ponds. Moreover, the lush invites marine life to take shelter, find food, and breed.

b. The counselling of turtle cultivation

Seeing the habitat of rare animals such as turtles that often lay eggs at some point, the community of Pancer Door Beach tourism area was given counseling to save turtles. The CSR division also collaborates with the several communities and business entities to help the community start a movement to save turtles and clean the beach.

***The Development of Public Facilities***

a. Campsite establishment

The land of Pancer Door Beach tourism area is wide. Therefore, to execute the development plan, the community helps the CSR division to map out the coordinates, what kind of buildings will be built, and to which parties will illegally control the land.

b. Merchant stall establishment

The merchant stall establishment in the Pancer Door Beach tourism area has received aspirations from many merchants. At the first time, they did sell something on the beach which caused a violation of cleanliness rules by both the visitors or tourists and the merchants who might throw garbage carelessly. Deliberation with the community regarding the following problems has got a positive response from the merchants so that the merchant stall establishment could make them feel more comfortable and follow the cleanliness rules.

c. Floating mosque repairment

The floating mosque repairment on the Pancer Door Beach tourism area was recommended by a reputable religious figure in Pacitan Regency. Previously, the establishment of this floating mosque was indeed from government assistance. It was just not perfect, therefore the CSR division together with the coordinator provide funding assistance and invite the community to repair the floating mosque such as installing bamboo and saplings to make it more proper. In addition to being a place of worship, this floating mosque is unique in terms of aesthetics, because it is located above the sea, precisely onshore of Pancer Door Beach so that it attracts tourists to visit and worship at the floating mosque.

***The Attainment of Monitoring and Evaluation***

To implement CSR program, there is always monitoring and evaluation carried out by members of the CSR division of Bank Jatim at the local community's house. Thus, the program

executors are able to find out the progress as well as to figure out obstacles or things outside the plan earlier that potentially interfere the program's progress in order that they can find solutions together when problems arise.

### **The Results of The Tourism Community Empowerment in Pancer Door Beach from CSR Program**

The results and benefits obtained by Pancer Door Beach tourism community from the implementation of CSR program are as follows:

#### ***The Realization of Economic Capacity Optimization***

- a. The local community of Pancer Door Beach tourism area has improved their skills and creativity in seafood processing because basically, they have the willingness to become an independent entrepreneur. Therefore, in the future, seafood processing skills can be used as their additional income to meet their daily needs.
- b. The number of legal small businesses has increased among the local community of Pancer Door Beach tourism area. Funding assistance to administer the Trading Business License is very helpful, it aims to be the proof of the business validation being carried out so that it is recognized by the government.
- c. Business networks have been expanded, where CSR program has a role in accessing capital and marketing products made by the local community of Pancer Door Beach tourism area with assistance to parties accompanying the program from Bank Jatim.

#### ***The Establishment of Ecosystem Protection and Maintenance***

- a. Beach reforestation by planting Mangrove tree seedlings is done by the local community of Pancer Door Beach tourism area. This is an attempt to overcome the abrasion of seawater to the mainland and to protect the habitat of marine life. Therefore, it provides benefits to save the earth from the erosion of land by the ocean.
- b. Turtle cultivation is carried out because turtles are one of the rare animals found that their population is also decreasing and even threatened with extinction. This builds public awareness, especially Pancer Door Beach tourism area, in order to preserve turtles in their area by building hatcheries to lay eggs.

#### ***The Establishment of Infrastructure***

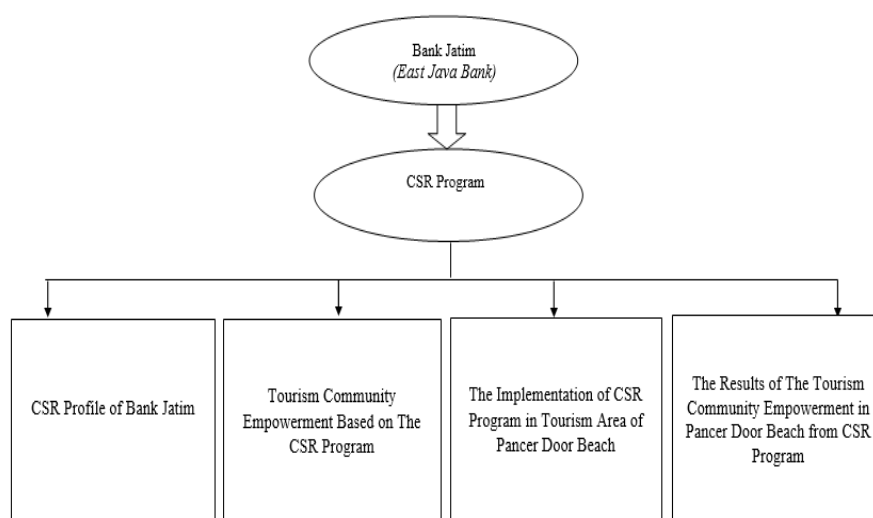
- a. A campground has been established by utilizing an empty land in Pancer Door Beach tourism area. Its development involves the local community to improve the quality of

infrastructure in their area as a function of scouting training and education for the younger generation from various scouting levels.

- b. The merchant stall has been built as a facility of culinary area for tourists. The tourism community in Pancer Door Beach area also gets a positive effect, especially those who work as merchant, because the arrangement of a neat and comfortable infrastructure is a strategy to attract visitors so that the merchants will get more income.
- c. The floating mosque building repaired is not only a place of worship for the local community of Pancer Door Beach tourism area, but also a religious tourism destination for tourists. Since the establishment of the floating mosque, the community has always held regular Friday prayers together, besides that there are also regular events often held by religious community.

Community involvement is required in the steps of the nation establishment process. Community participation in Bank Jatim CSR program aimed to increase productivity from an economic perspective has a positive impact. All of the programs, that have been implemented, have produced something new, especially since the banking sector companies have taken concrete actions in developing the country through their superior CSR programs, precisely in Pancer Door Beach tourism area in Pacitan Regency.

**Figure 1.**  
**The Concept of CSR Program Implementation by Bank Jatim**



## **Conclusion**

Research on community empowerment in the Pancer Door Beach tourism area through the implementation of CSR concluded that the program was able to empower the community around the company. The ability to implement CSR is determined by: (1) CSR profile of Bank Jatim which includes the environment, the system of employment, health, and safety, social and community development, as well as product or service responsibilities, (2) tourism community empowerment based on the CSR program which includes program objectives, tourism community empowerment models at Bank Jatim, and tourism community empowerment strategies at Bank Jatim, (3) implementation of the CSR program in the tourism area of Pancer Door Beach which includes socialization of the tourism community, development of Micro, Small and Medium Enterprises (MSMEs), development of nature conservation, development of public facilities, and attainment of monitoring and evaluation, and (4) the results of the empowerment of the Pancer Door Beach tourism community from the CSR program which includes the realization of economic capacity optimization, the establishment of ecosystem protection and maintenance, and the establishment of infrastructure facilities.

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