



ARTICLE

Innovating Corporate Social Responsibility

The 'Makin Mesra' Initiative for Poverty Alleviation in West Aceh District

Ikhsan ¹, Vellayati Hajad ², Ilham Mirza Saputra ³, Irham Maulida ⁴, Deni Setiawan ⁵^{1,2,3,4}Universitas Teuku Umar, Meulaboh, Indonesia⁵Politeknik Gusdurian, Purwokerto, Indonesia

ikhsan.baharudin@utu.ac.id

OPEN ACCESS

Citation: Ikhsan, Hajad, V., Saputra, I. M., Maulida, I., & Setiawan, D. (2024). Innovating Corporate Social Responsibility: The 'Makin Mesra' Initiative for Poverty Alleviation in West Aceh District. *Jurnal Bina Praja*, 16(2), 403–425. <https://doi.org/10.21787/jbp.16.2024.403-425>

Submitted: 22 June 2024

Accepted: July 2024

Published: August 2024

© The Author(s)



This work is licensed under a [Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License](https://creativecommons.org/licenses/by-nc-sa/4.0/).

Abstract: Innovation of Corporate Social Responsibility (CSR) of Makin Mesra reduces West Aceh District's poverty. CSR of Makin Mesra is a collaborative effort between the local government and private companies to address the region's poverty challenges. The research method used a qualitative approach with case studies to understand the impact and challenges of the program in depth. Data were collected through interviews with key parties, including government officials, company representatives, and community members. The research findings reveal that CSR Makin Mesra has resulted in significant improvements in the welfare of the target community, including a decrease in poverty and unemployment rates. The program has facilitated increased economic activity and essential support for marginalized groups. However, challenges such as limited human resources, delays in fund distribution, and differences in beneficiary data hinder the program's implementation, efficiency, and impact in reducing poverty. This study concludes that CSR Makin Mesra is an essential innovation in utilizing corporate social responsibility for poverty alleviation. This innovation shows positive results in improving community welfare and economic stability. Despite the challenges, the program highlights the potential of collaborative CSR efforts in addressing complex social issues effectively. The author's recommendations to improve the effectiveness of CSR Makin Mesra include strengthening the capacity of the human resources involved through training and skills development of the implementation team and simplifying the fund distribution process through reforming the fund submission and distribution procedures.

Keywords: Innovation; Corporate Social Responsibility; CSR Makin Mesra; Poverty Alleviation; Government-Private Collaboration.

1. Introduction

Corporate Social Responsibility (CSR) has developed as one of the main pillars of modern business practices. It reflects a company's commitment to social and environmental responsibility by allocating its CSR funds (Hasanah et al., 2024). CSR funds are funds from the business world carried out by companies in the context of implementing CSR programs that aim to support regional development (Maheshwari et al., 2024). Meanwhile, CSR programs are created by companies that adapt to the conditions of the surrounding community and are mutually beneficial (Russon, 2023). The benefits here are not only financial but also social (welfare) and environmental (sustainability) benefits for society. This concept of social and ecological benefits can be achieved through three basic triple-bottom-line principles, namely profit, people, and planet (Fahrial et al., 2019). The profit principle refers to the need for a company to continue seeking profits to grow. People emphasize corporate responsibility for human welfare. Meanwhile, the planet includes concern for the environment and the sustainability of the ecosystem around the company.

The history of the CSR concept began in the early 1950s when Howard R. Bowen introduced the idea of corporate social responsibility as a moral obligation inherent in companies in a social and economic context (Sama et al., 2020). In the 1970s, the stakeholder theory introduced by Freeman and Reed (1983) marked a significant development in the CSR concept. This stakeholder concept initially included "those groups without whose support the organization would cause to exist," namely shareholders, employees, customers, suppliers, and the general public, emphasizing the interconnectedness between the company and various stakeholders. The systems approach in management theory is increasingly relevant in developing CSR, focusing on the dynamic relationship between a company and its social environment (Amin-Chaudhry, 2016; Carroll & Brown, 2018).

At the global level, CSR has developed into a widely recognized practice, with various international standards and frameworks governing its implementation. Research by Carroll (2021) identified four primary CSR responsibilities: economic, legal, ethical, and philanthropic. Various international standards, such as the Global Reporting Initiative (GRI) and ISO 26000, have been adopted to provide guidance to companies in implementing CSR. GRI, for example, provides a framework for sustainability reporting that helps companies measure and report their operations' economic, environmental, and social impacts (Adams et al., 2022; Khan et al., 2023). ISO 26000, on the other hand, is an international standard that provides guidelines regarding corporate social responsibility, including principles such as transparency, accountability, and recognition of human rights (Moratis, 2017).

In Indonesia, the implementation of CSR has experienced significant developments since the 2000s. The main focus of CSR in Indonesia during this period was on maximizing positive impact and minimizing negative impact of company activities (Gandi & Mutaqi, 2022; Pratiwi & Izzatusholekha, 2022). However, CSR programs in Indonesia are often oriented towards the interests of certain groups and do not include long-term sustainability aspects. CSR in Indonesia has included various initiatives such as human resource development, community economic empowerment, improving welfare, and preserving the environment. Apart from that, the company strives to improve community welfare by improving clean water facilities and infrastructure, providing treatment and health facilities, and providing transportation facilities. However, challenges in terms of sustainability and significant impact on people's lives still exist (Fahrial et al., 2019).

Theoretically, CSR can be understood through stakeholder theory, which identifies various groups impacted by company operations and must be considered in company decision-making (Thijssens et al., 2015). In addition, legitimacy theory, which suggests that companies must meet social expectations to gain support from society and stakeholders (Ratmono & Sagala, 2015), is also relevant in the CSR context. In the Indonesian context, statutory regulations such as Law Number 40 of 2007 concerning Limited Liability Companies and Law Number 4 of 2009 concerning Mining and Coal stipulate obligations for companies to implement CSR, indicating the importance of CSR integration in company management (Koesriwulandari, 2015).

Aceh Provincency, the location of the first integrated coal mining company in Aceh Province, presents a unique case regarding its socio-economic challenges, particularly poverty and development. Covering an area of around 2,927.95 km² with a population of about 205,108 people, the regency saw a decrease in its poverty rate from 18.81% in 2021 to 17.86% in 2023, indicating some progress but still highlighting the urgent need for more effective CSR programs (Saleh & Sihite, 2020). While other regencies in Aceh Province also host coal mining activities, West Aceh's challenges are distinct due to its status as a pioneer in integrated mining operations, which places higher expectations on the socio-economic contributions of mining companies.

In comparison, other mining areas in Aceh may face similar issues. Still, West Aceh is distinct in implementing the CSR of Makin Mesra (Masyarakat Miskin Menuju Sejahtera) program, specifically tailored to address local needs such as education and health. This program is strategic in alleviating poverty and designed to produce direct, positive impacts on the daily lives of the community. According to Hadisuamardjo (2014), effective CSR programs can bolster economic development by strengthening social capital and encouraging broader socio-economic progress. Thus, through the CSR of Makin Mesra, West Aceh's approach seeks to differentiate itself by aiming for targeted and direct benefits for the community, setting a potential model for other regencies with similar economic structures.

Corporate Social Responsibility (CSR) in Indonesia, also known as Corporate Social Responsibility, has emerged as an essential topic in global business discourse, often combined with charitable donations and philanthropic actions (von Schnurbein et al., 2016). However, CSR is an increasingly recognized broader concept that goes beyond social contribution. This literature review explores the complexity of CSR by examining its definition, classification, and debates surrounding its implementation. This discussion will highlight the advantages and disadvantages of CSR and provide different perspectives on its impact on business and society.

CSR is widely understood as the obligation of the business world to act in ways that benefit society and the environment beyond simply pursuing financial profits that are essential for the survival and growth of a business, which is the foundation of its operations (Cho et al., 2019; Thanh Binh, 2023). CSR includes four primary responsibilities: economic, legal, ethical, and philanthropic (Windsor, 2006). This economic aspect of CSR emphasizes that although companies must focus on financial performance, their responsibility goes beyond simply seeking profits (Cho et al., 2019). Legal responsibility requires companies to comply with the laws and regulations set by the government by ensuring that the company operates within the bounds of the law while pursuing its economic goals (Zhao, 2017).

Ethical responsibility includes running a business fairly and morally so that companies are expected to uphold high ethical standards that align with societal norms and values (Kolk, 2016). This CSR dimension is essential for building trust and maintaining a positive reputation among stakeholders (Fadun, 2014). Philanthropic

responsibility refers to a company's commitment to contributing positively to society through charitable activities and community involvement. This includes initiatives such as donations, community development projects, and support for social causes (Fatima & Elbanna, 2022). Although philanthropic efforts are essential to CSR, they represent only a tiny part of the broader CSR agenda.

So far, there has been a primary debate about CSR, namely the difference between CSR and charitable contributions (Cha & Rajadhyaksha, 2021; Gautier & Pache, 2015). Some argue that CSR is fundamentally different from just charity or philanthropy. Charitable actions, such as those undertaken by Habitat for Humanity or the Ronald McDonald House, often involve allocating a portion of profits to social causes (Hung Chen, 2011; Lantos, 2001). However, CSR advocates emphasize more than acts of generosity as they integrate social responsibility into a company's core operation (Galbreath, 2006; Wettstein, 2012). The organization's commitment defines CSR as serving its interests and those of external society. Likewise, (Nuzula, 2009) describes CSR as a voluntary approach integrating social concerns into business operations rather than just being a side or additional activity.

Apart from that, there are also developing pros and cons in implementing CSR. Pros see CSR as helpful in improving company reputation and customer loyalty. Effective CSR initiatives can strengthen a company's image in the eyes of the public and build consumer trust (Ambarini, 2010; Hung Chen, 2011). A well-strategized well-strategizedplemented CSR can positively impact the company and society. Companies that demonstrate a commitment to social responsibility are often viewed more favorably by consumers, which can mean increased long-term support and loyalty (Sjioen et al., 2023).

CSR is also important in encouraging social and economic development, especially in local communities. CSR programs focusing on education, health, and economic empowerment can contribute to social progress and community welfare. For example, companies that provide scholarships, build health facilities, or support local economic initiatives can help improve people's quality of life (Hadisuamardjo, 2014). These programs can increase social capital and encourage sustainable development. In addition, CSR can help companies mitigate risks and ensure legal compliance (Buhmann, 2006; McBarnet, 2009). By complying with ethical standards and legal requirements, businesses can reduce the likelihood of legal conflicts and reputation damage (Bezzola et al., 2022; Hoelscher & Rustad, 2019). CSR encourages companies to operate transparently and ethically, which helps avoid legal problems and maintains positive public perceptions.

Despite its benefits, CSR also faces some criticism. Opponents say the high costs of implementing CSR programs worry many companies (Idemudia, 2010). Effective CSR requires significant financial investments, which can burden small businesses or those with limited resources. Critics argue that funds allocated to CSR initiatives could be used more productively in other business areas, potentially impacting profitability and competitiveness (Charles & Billon, 2021). Another criticism is that there needs to be more standardization standards and guidelines in implementing CSR, which gives rise to uncertainty and inconsistency in how CSR programs are developed and assessed.

Companies may need help prioritizing the impact of their CSR efforts, which may result in ineffective or inadequate results. A lack of standardization has affected the effectiveness of CSR initiatives and created confusion among stakeholders. In addition, there is a risk of greenwashing (Kurpierz & Smith, 2020), namely companies that carry out CSR activities superficially or make exaggerated claims regarding their social responsibility efforts without implementing meaningful changes in their business

practices to create a positive public image without making significant improvements. In its operational practices (de Freitas Netto et al., 2020). Greenwashing can damage CSR credibility and reduce the overall effectiveness of social responsibility programs (Mahoney et al., 2013). Figure 1 shows previous studies on CSR globally.

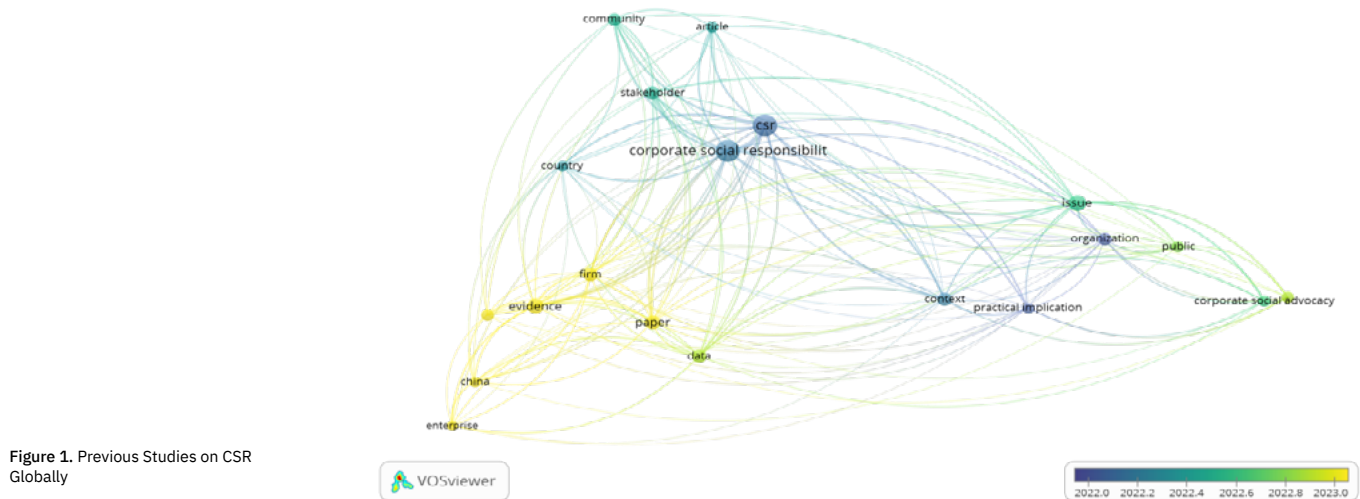


Figure 1. Previous Studies on CSR Globally

Source: VOSviewer (2024)

Examining global examples provides insight into how CSR is implemented in practice. Unilever, for example, has implemented the “Unilever Sustainable Living Plan” to overcome global social and environmental challenges. This plan includes reducing greenhouse gas emissions, using environmentally friendly materials, and improving community welfare. Unilever’s approach shows how CSR can be integrated into core business strategies to achieve broader sustainability goals (Susilowati, 2017). Patagonia, an outdoor clothing company, is another notable example. Patagonia is known for its environmental commitment, including using recycled materials and financial contributions to environmental projects. The Patagonia model illustrates how a strong focus on environmental sustainability can be a crucial component of a successful business strategy (O’Rourke & Strand, 2017).

Discussing CSR means placing CSR as a multifaceted concept beyond charitable donations and philanthropy. This includes economic, legal, ethical, and philanthropic responsibilities and must be integrated into core operations and business strategy (Saha et al., 2020; Yoon et al., 2006). Although CSR offers many benefits, including reputation enhancement, community development, and risk mitigation, it also faces challenges such as high implementation costs, lack of standardization, and potential greenwashing. Therefore, this paper aims to analyze the increasingly intimate CSR innovation that is taking place in West Aceh Regency. This article is essential to benefit the business world and society.

2. Methods

This qualitative research uses a case study approach (Yin, 1992). The qualitative method with a case study approach is the right choice for this research because it can be used to see the complexity and dynamics of the CSR Makin Mesra innovation being researched. This approach provides the flexibility to explore issues in depth and understand diverse realities. The subject of this research was selected purposively

based on criteria relevant to the research objectives. Selecting the right subject is very important to obtain in-depth and meaningful data. They are local governments, companies, and communities. Research data was collected through various methods, such as in-depth interviews, participant observation, and document analysis. In-depth interviews allow researchers to gain rich perspectives from research subjects, while participant observation provides direct insight into the context and interactions. The informants in this research were selected purposively, based on criteria relevant to the research objectives, to ensure that the collected data is in-depth and meaningful. The selected informants include representatives from local governments, companies, and community members who are directly involved or have a significant role in the CSR Makin Mesra innovation. These informants were chosen because of their knowledge, experiences, and perspectives related to the implementation and impact of the CSR initiative.

The analysis process was conducted inductively to analyze qualitative research using a case study approach, especially in the study of CSR Makin Mesra innovation. Figure 2 shows the flow of the analysis stages in this paper

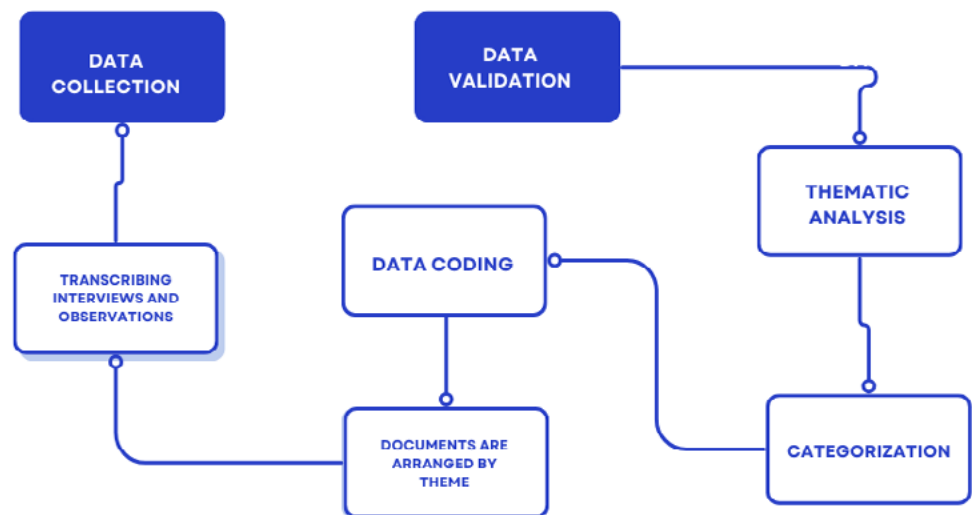


Figure 2. Flow of Writing Analysis Stages

Source: Yin (1992)

The analysis stage begins with collecting data from various sources, such as interviews, observations, and documents related to the CSR program. Once the data is collected, the first step is transcribing the interviews and recording observations in a structured text format. Relevant documents are also arranged based on themes and topics that match the research focus. The following process is data codification. At this stage, the transcribed data begins to be analyzed, and initial descriptive codes are assigned to significant data units. For example, codes such as “Innovation” could be used to note new initiatives in a CSR program. At the same time, “Poverty” and “Community Engagement” could mark phenomena and community participation in the program.

Next, these codes were grouped into broader categories through an axial coding process, where significant categories such as “Impact of Implementation” and “Challenges” were formed based on patterns that emerged from the data. This process ends with selective coding, where the main categories are integrated to form the main narrative of the phenomenon under study. After codification, thematic analysis was conducted to understand the identified patterns, themes, and categories. Main themes

such as the implementation of CSR program innovations, the impact of CSR, and the challenges faced are analyzed to provide a comprehensive description.

Data validation is a crucial step to ensure the accuracy and credibility of findings through triangulation, namely comparing data from various sources to verify consistency and member checking, where initial findings are returned to research participants for feedback. This process helps ensure that data interpretation is accurate and representative. With this method, data analysis in qualitative research becomes more structured and in-depth, allowing for a more comprehensive understanding of the CSR innovations being studied.

3. Results and Discussion

3.1. Economic Empowerment Policy through CSR

Every company implementing a CSR program in West Aceh Regency must allocate CSR funds using five different criteria, according to Regulation Number 36 of 202 and Regulation Number 72 of 2022, as shown in [Table 1](#).

Table 1. Economic Empowerment Policy in West Aceh Regency

No.	Company Type	2021	2022
1	Company >Rp10,000,000,000,-	10%	10 Family
2	Company Rp500,000,000,- up to Rp10,000,000,000,-	15%	5 Family
3	Company Rp250,000,000,- up to Rp50,000,000,-	20%	3 Family
4	Company Rp250,000,000,- up to Rp50,000,000,-	25%	2 Family
5	Company <Rp50,000,000,-	30%	1 Family

Source: West Aceh Regional Planning Agency (2024)

The economic empowerment policy in the CSR program is prioritized for communities living around the company's operational areas. However, suppose economic empowerment in each company's operational area has been achieved. In that case, the CSR program can be implemented in other priority locations listed in the regional development planning document each year. Determining priority locations is closely related to the recommendations of the Regional Planning Agency and related Regional Apparatus Organizations.

The mechanism for implementing CSR in West Aceh Regency is contained in programs and activities to support community economic empowerment, previously stated in each company's annual CSR work plan. However, this work plan has previously been discussed and agreed upon jointly between the company and the government through a joint forum called the Corporate Environmental Social Responsibility Forum. Only then is the annual CSR work plan determined by the forum by February each year. Thus, this work plan can serve as a guide for companies in implementing CSR programs every year. However, revisions to the work plan can still be carried out by refocusing on the company budget.

The procedure for discussing economic empowerment policies through CSR goes through several stages. First, the Social Service will submit integrated social welfare data determined by the Ministry of Social Affairs to the Regional Planning Agency or the Corporate Environmental Social Responsibility Forum. Only then can the Regional Planning Agency or the Corporate Environmental Social Responsibility Forum submit this data to the company as the implementer of the CSR program, at this stage, companies can propose names of communities receiving economic empowerment activities to the Regional Planning Agency or the Corporate Environmental Social

Responsibility Forum. Then, the Regional Planning Agency met to discuss this matter with the Corporate Environmental Social Responsibility Forum.

The economic empowerment activity program implemented by the company as part of the company's CSR adheres to the guidelines attached to the Regent's Regulation after the forum has approved the programs. The agreement on activities in the economic empowerment CSR program is carried out by establishing a work plan to allocate and distribute economic empowerment funds for several fields, which can be seen in Figure 3.



Figure 3. Allocation and Distribution of CSR Economic Empowerment Funds

Source: West Aceh Regional Planning Agency (2024)

The duties and responsibilities of implementing economic empowerment activities through CSR are as follows. First, the Regional Development Planning Agency coordinates the implementation, supervision, evaluation, and reporting of economic empowerment activities. Second, the Social Service is tasked with providing valid integrated social welfare data. Third, the company is tasked with providing CSR funds as regulated in regulations and carrying out CSR activities oriented towards community economic empowerment. Meanwhile, the Corporate Environmental Social Responsibility Forum controls, evaluates, and supervises each activity from the planning stage to the realization stage. In addition, companies must submit CSR implementation reports to the Corporate Environmental Social Responsibility Forum and the Corporate Environmental Social Responsibility Forum Secretariat.

Suppose the implementation of the CSR program is different from the regulations and regulations agreed upon in the Corporate Environmental Social Responsibility Forum. In that case, the company will receive administrative sanctions as stated in Articles 5, 6, and 7 in Regulation Number 36 of 2021, namely a verbal and written warning. Through these sanctions, the Regional Government seeks to regulate companies to be more responsible for social life and the environment in their operational areas. Moreover, according to information from the Aceh Government, 18 companies manage large amounts of CSR funds in Aceh Province, as shown in Table 2.

Table 2. Companies and CSR Funds in Aceh Province

No.	Company Type	CSR Funds (Rp)
1	PT. Pelindo Cabang Malahayati	100 Million
2	Perum Bulog Kanwil Aceh	50 Million
3	PT. Pertamina EP Rantau Field	1.16 Billion
4	PT. MIFA Bersaudara	49.8 Billion
5	PT. Medco E&P Malaka	5.9 Billion
6	PT. Bank Aceh Syariah	10.9 Billion
7	PT PLN UID Aceh	2.4 Billion
8	PT Bara Energi Lestari	11.45 Billion
9	PT Pupuk Iskandar Muda	6 Billion
10	PT Perkebunan Nusantara I	2.9 Billion
11	PT. Solusi Bangun Andalas	5.2 Billion
12	PT. Agrabudi Jasa Bersama	350 Million
13	PT. Pembangunan Aceh (PEMA)	1.8 Billion
14	PT. PEMA Global Energi	7.5 Billion
15	PT. Pegadaian Syariah	1.8 Billion
16	PT. Aceh Media Grafika	274 Million
17	PT. Dunia Barusa	487 Million
18	PT. Bank Syariah Indonesia (BSI)	15.5 Billion

Source: AJNN (2023)

Meanwhile, the details of CSR funds in West Aceh Regency are slightly different because, in terms of area, West Aceh Regency has a smaller regional scope. Details of CSR funds in West Aceh Regency can be seen in [Table 3](#).

Table 3. Companies and CSR Funds in West Aceh District

No.	Company	CSR Funds (Rp)
1	PT. Mifa Bersaudara	1.060 Billion
2	PT. KTS	696.660 Million
3	PT. Agrabudi Jasa Bersama	350 Million
4	PT. Betami	235.20 Million
5	PT. Agro Sinergi Nusantara	161.350 Million
6	PT. Prima Agro Aceh Lestari	50 Million
7	PT. Indonesia Pasific Energy	85 Million
8	PT. Potensi Bumi Sakti	30 Million
9	PT. Aceh Hydropowe	167.750 Million
10	PT. Bank Aceh	1.605 Billion
11	PT. Mapoly Raya	160 Million
12	PT. Bank Mandiri	90 Million

Source: (AcehTrend, 2017)

The data above shows that the total CSR funds in West Aceh Regency are significant, so the West Aceh Government, initiated by the Regional Development Planning Agency, formulated an innovation in managing CSR funds that focuses on empowering the community's economy to alleviate poverty. This is motivated by extreme poverty in

West Aceh Regency while welcoming the positive economic potential for development from companies operating in West Aceh.

3.2. CSR Makin Mesra Innovation to Alleviate Poverty

Innovation is a concept that includes changes or adding value to products, services, or processes. In contrast, service innovation is when a company changes culture, operations, philosophy, and procedures to add value to services or products to achieve profits (Johannessen et al., 1999). In the context of Corporate Social Responsibility (CSR), innovation can be defined as applying new ideas to provide more significant social and economic benefits to society (Ratajczak & Szutowski, 2016). Innovation in CSR focuses on profit and how companies can contribute positively to society and the surrounding environment (D. R. Mishra, 2017; Mithani, 2017).

Corporate Social Responsibility (CSR) has four main responsibilities: economic, legal, ethical, and philanthropic (Carroll, 2021). Economic responsibility includes a company's obligation to seek profits and operate efficiently. Legal responsibilities require companies to comply with applicable laws and regulations. Ethical responsibility emphasizes the need for companies to act with integrity and fairness, going beyond legal requirements. Philanthropic responsibilities include corporate contributions to society through volunteer activities and donations (Carroll, 2021).

In the global mining sector, CSR innovations often focus on sustainable and inclusive practices, primarily aiming to reduce the negative impacts of mining activities while increasing benefits for local communities (Hajad, 2021; Pons et al., 2021). Some examples of CSR carried out by mining companies are, for example, in Australia, where there is innovation in the form of an ecosystem rehabilitation program implemented by the Rio Tinto company. The program involves replanting local species and restoring degraded habitats as part of their efforts to reduce the environmental impact of mining activities (García-Gómez & Pérez-Cebada, 2020). In Canada, CSR innovation in the mining sector involves collaboration with First Nations communities. Mining companies in the region work closely with local communities to ensure that they receive direct benefits from mining activities, such as training, education, and employment opportunities designed to increase local communities' economic and social capacity (Majer, 2021).

In Indonesia, CSR innovation in the mining sector also shows efforts to eradicate poverty; for example, PT Freeport Indonesia, a gold mining company, focuses on community empowerment through education and training. Meanwhile, PT Adaro Energy Tbk and PT Bukit Asam Tbk also empower people through education, environmental management, and infrastructure development. In short, CSR in the mining sector in Indonesia plays an essential role in supporting sustainable development and poverty alleviation. Innovations in CSR by these mining companies show how businesses can contribute positively to society and the environment while running their operations effectively, which can help improve community welfare and build harmonious relationships between companies and local communities (Rela et al., 2020; Yakovleva & Vazquez-Brust, 2012).

In recent years, the problem of poverty in West Aceh Regency that still cannot be addressed is the problem of development. The West Aceh Regency Government has made various efforts to reduce poverty rates. Apart from that, the Aceh Government continues to try to deal with the poverty that occurs, but it takes work. This is because Aceh is the only region in Indonesia that experiences social conflict and natural disasters. Then, COVID-19, which occurred from 2020 to 2022, further worsened the economic aspects of society. Based on data from the Central Statistics Agency, poverty

in West Aceh continues to decline every year, namely 18.81% (2021), 17.93% (2022), 17.86% (2023), and 17.60% (2024). At first glance, the data shows a decrease in the poverty rate, but this figure is still relatively high compared to the poverty rate in Aceh Province, which is 14.23% (2024) and the national poverty rate of 9.03% (2024).

West Aceh has over 20 thousand vulnerable workers and 38 thousand low-income families. So, several programs and activities are planned to overcome the poverty that occurs but are hampered by limited regional financial capacity. However, to support the implementation of the poverty reduction program, the West Aceh Government is making various efforts to find funding sources. Among them is the optimization of collaboration between the West Aceh Regency Government and private companies that are members of the Corporate Social and Environmental Responsibility Forum or West Aceh Regency Corporate Social Responsibility (CSR).

In 2021, to deal with poverty, the West Aceh Regency Government, with private companies, took the initiative to create the CSR Makin Mesra innovation, which means CSR for the Poor is More Prosperous. In this case, the initiator and person in charge of CSR Makin Mesra is the West Aceh Regency Regional Development Planning Agency. This is regulated in West Aceh Regent Regulation Number 36 of 2021 concerning Economic Empowerment Through Corporate Social and Environmental Responsibility, which was then amended in 2022 with the enactment of West Aceh Regent Regulation Number 72 of 2022 concerning Amendments to West Aceh Regent Regulation Number 36 of 2021 on Economic Empowerment Through Social and Environmental Responsibility of West Aceh Companies. Table 4 shows the regulatory changes. This program aims to improve the welfare of poor communities through the active involvement of private companies in various aspects of economic empowerment.

Table 4. Differences in Regulations on Private Company Involvement

No.	Regulation	Differences
1	West Aceh Regent Regulation Number 36 of 2021	<ul style="list-style-type: none"> As a technical guideline for implementing economic empowerment through CSR fund management Allocation of CSR funds with a minimum percentage (10%, 15%, 25%, and 30%)
2	West Aceh Regent Regulation Number 72 of 2022	<ul style="list-style-type: none"> Basis for implementing economic empowerment for poverty alleviation through CSR fund management with the slogan "CSR Makin Mesra" Priority for poverty reduction through reducing low-income families through company CSR funds (10, 5, 2, and 1 family)

Source: Processed by Researchers (2024)

CSR Makin Mesra, regulated in West Aceh Regent Regulation Number 72 of 2022. It contains economic empowerment policies targeting poor communities, contained in the Integrated Social Welfare Data and located around the company's operational areas. Another target is communities that have the potential for economic empowerment. Three main aspects of implementing CSR Makin Mesra in West Aceh Regency are empowerment, poverty reduction, and infrastructure development.

First, economic empowerment involves skills training, support for small and medium enterprises (MSMEs), and job creation. Skills training is an essential component of economic empowerment (Ghimire et al., 2024). This training program is designed to provide local communities with new skills that meet the job market's needs. For example, mining companies organize courses and training that cover a variety of technical and non-technical skills, such as heavy equipment operation, project management, and digital skills. By acquiring relevant skills, individuals have a greater chance of finding decent work and contributing to local economic growth. Apart

from that, there is also soft skills training, such as leadership and communication. This training program is accompanied by certification, which increases participants' competitiveness in the job market.

Support for small and medium enterprises (MSMEs) is an essential aspect of CSR that focuses on strengthening the local economy (Antoci et al., 2019). Mining companies often assist in the form of access to capital, business training, and mentorship. For example, the company provides microloans or grants to small businesses. It organizes workshops and seminars on business management, marketing, and finance to expand markets, improve operational efficiency, and strengthen its competitiveness. Job creation is also a direct result of CSR efforts focusing on economic empowerment by recruiting local workers to reduce unemployment and increase people's income. These programs also contribute to improved social and financial well-being, providing local families with stable incomes and opportunities to improve their quality of life.

Second, poverty reduction aims to reduce poverty rates and extreme poverty in the company's operational areas by identifying community groups that most need assistance and providing the necessary resources to improve their living conditions. By reducing poverty, this program contributes to achieving sustainable development goals and improving the quality of life of people in West Aceh. Third, infrastructure development involves investment in road access, schools, and health facilities. Good infrastructure is critical to improving people's quality of life, facilitating access to essential services, and supporting economic growth. Building and improving infrastructure creates a more conducive environment for the development of local communities and businesses (Hajad et al., 2023).

The CSR Makin Mesra innovation, launched by the West Aceh Regency Government, addresses challenges in improving the local economy and reducing poverty. It builds on the concept of Corporate Social Responsibility (CSR), emphasizing companies' role in supporting their communities' well-being. Unlike traditional CSR, CSR Makin Mesra aims for more profound, sustained regional development. As Carroll (2021) outlined, CSR extends beyond profit-making to include positive contributions to community growth. This initiative seeks to create lasting economic impacts in West Aceh, such as improved welfare for beneficiaries, reduced poverty, lower unemployment rates, and more robust local economic growth.

The implementation of CSR Makin Mesra has provided tangible benefits to the people of West Aceh, such as enabling community members to start small businesses and become economically self-sufficient. This aligns with economic empowerment (Frynas, 2005), offering immediate relief and long-term self-reliance through access to capital, training, and market opportunities. The program also supports sustainable development, particularly aligning with SDG Goal 8, by reducing unemployment and promoting inclusive economic growth. Its focus on long-term impact ensures that improvements in community welfare are sustainable.

The success of CSR Makin Mesra also relies heavily on collaboration between various stakeholders, including the local government, companies, and community groups. According to the collaborative governance theory (Ansell & Gash, 2007), effective collaboration between these parties is crucial for addressing complex social challenges. The role of the West Aceh Regency Government in coordinating and facilitating this collaboration ensures that the CSR programs are tailored to the needs of the community and that resources from the companies are effectively directed toward initiatives that provide the most significant benefit. With support from companies operating in the area and active participation from the local community, CSR Makin Mesra can potentially transform West Aceh's economic landscape. As it

continues to expand, the program is expected to contribute further to reducing poverty and unemployment while fostering a sense of shared responsibility among businesses and the community.

In summary, CSR Makin Mesra is more than just a corporate social responsibility program; it is a strategic initiative that embodies the principles of CSR, economic empowerment, and sustainable development. By combining the theoretical foundations of CSR with practical, field-based outcomes, this program demonstrates the potential for businesses and local governments to work together to achieve meaningful social change. As a result, CSR Makin Mesra stands as a model for other regions looking to harness the power of CSR to create lasting improvements in community welfare and economic stability.

3.3. The Impact of CSR Makin Mesra Implementation in West Aceh

Implementing the Corporate Social Responsibility (CSR) program Makin Mesra in West Aceh Regency has substantially impacted the local community, reflecting the principles of effective CSR practices outlined in the literature (Carroll, 2021). This program emphasizes assistance or donations, fosters close collaboration with various stakeholders, adopts a participatory approach, promotes economic and social empowerment, ensures transparency and accountability, and supports environmental sustainability. These aspects align with strategic CSR, where companies seek to integrate social objectives with their business strategies to achieve sustainable outcomes (Lindgreen et al., 2009).

A critical positive outcome of CSR Makin Mesra is the increased collaboration between companies and stakeholders, which supports the collaborative governance theory (Ansell & Gash, 2007). Companies are now more active in forming strategic relationships with local governments, NGOs, and communities, emphasizing the importance of aligning CSR activities with local development priorities. For example, CSR Makin Mesra funds have been directed towards educational infrastructure and workforce training, aligning with government targets for long-term development. This strategic alignment underscores the role of CSR in fostering shared value, where companies and communities benefit from joint initiatives (Orlitzky & Shen, 2013).

Furthermore, partnerships with NGOs and local communities ensure that CSR Makin Mesra is inclusive and responsive to community needs, consistent with the principles of stakeholder theory (Freeman & Reed, 1983). For instance, collaboration with NGOs focusing on women's economic empowerment has enabled companies to develop skill training and microfinance programs specifically for women. This contributes to improved household economic well-being and social empowerment but also helps to strengthen the relationship between companies and the community, reflecting the social capital theory (Putnam, 1994).

In addition, the program incorporates a participatory approach, which is crucial for sustainable CSR initiatives (Bowen et al., 2020). Community members are actively involved in the planning and implementation, allowing the CSR Makin Mesra program to adapt based on feedback and specific needs. For example, through open dialogue and consultation, the community can prioritize projects like clean water infrastructure when such needs are identified, enhancing the program's effectiveness and sustainability. This approach aligns with the principles of participatory development, emphasizing the importance of involving communities directly in decision-making to ensure program success (Kapoor, 2002).

By integrating theoretical perspectives with field data, this discussion illustrates how CSR Makin Mesra serves as a collection of initiatives and a strategic approach

to advancing economic and social development in West Aceh. This synthesis emphasizes aligning CSR activities with established concepts to create a meaningful and sustainable impact on the community. The focus on economic and social empowerment within the CSR Makin Mesra program has substantially contributed to building community capacity and fostering independence. For instance, company-led entrepreneurship training equips residents with the skills to start or expand their businesses, increasing household income and reducing reliance on seasonal or informal work. Moreover, initiatives like women's empowerment programs and child protection efforts—such as skills training for women and scholarships for children from disadvantaged backgrounds—enhance broader social welfare, creating a more resilient and empowered community.

In addition, transparency and accountability are vital in ensuring that the CSR Makin Mesra program provides the expected benefits and builds trust between the company and the community. The company offers transparent reports about the company's CSR Makin Mesra activities, including the resulting social and economic impacts. This report helps the public and other stakeholders understand how CSR Makin Mesra funds are used and makes it easier to supervise. Meanwhile, the focus on environmental sustainability reflects the company's commitment to protecting the ecosystem and supporting environmentally friendly practices such as land rehabilitation, responsible waste management, and conservation of water resources. In addition, the company also supports sustainable agricultural practices by helping local farmers adopt environmentally friendly techniques, such as reducing the use of chemicals and promoting organic fertilizers.

Although CSR Makin Mesra has ambitious and beneficial goals, its implementation can run more smoothly, and several significant negative impacts must be considered. One of the main problems is the limited human resources (HR) involved. In many cases, the lack of human resources causes various problems in implementing and verifying CSR programs, resulting in less than optimal supervision and the inability to properly assess and follow up on community needs (Kotler & Lee, 2005; Nguyen et al., 2023). In the context of CSR Makin Mesra, this can disrupt the rhythm of activities and cause a series of negative impacts, such as delays in the implementation schedule, which affect the effectiveness of CSR and reduce the positive effects that this initiative can provide to the community. In addition, the lack of personnel also affects the quality of project monitoring and evaluation (Tereso et al., 2018).

The slow disbursement of funds for CSR activities further compounds these challenges. Bureaucratic hurdles and administrative delays are common barriers in many social programs (Sager & Rosser, 2009). In the case of CSR Makin Mesra, delays in the release of funds mean that the financial resources needed for social and environmental initiatives are not available when required. This disrupts the flow of planned activities, forcing some projects to be postponed or canceled, negatively impacting the CSR program's overall effectiveness. When funds are unavailable on time, the opportunities to support community development and welfare are missed, reducing the program's impact on improving local living conditions.

The discrepancies between the Integrated Social Welfare Data and the desired beneficiaries pose another significant challenge. According to the principles of data-driven decision-making (Brynjolfsson & McElheran, 2016), aligning accurate data with policy implementation is critical for achieving desired outcomes. However, in the field, local officials sometimes seek to adjust the list of beneficiaries based on community preferences rather than strictly adhering to existing data. This misalignment can cause friction between stakeholders, such as local government representatives

and community members, potentially leading to conflicts over the fair distribution of resources. When beneficiary data is not synchronized with local needs and expectations, CSR programs may fail to reach the most vulnerable groups, thereby missing their intended social impact.

The main issue affecting the success of the Makin Mesra CSR initiative in West Aceh is the low level of community participation. Community participation in the implementation of Makin Mesra CSR is still limited, even though involving the community is essential to creating programs that meet local needs and ensure sustainable results. CSR efforts can be 'empty barrels' without active participation, promising on paper but failing to bring about real change. This low participation often stems from a lack of communication channels for community input, leading to programs that do not fully meet local needs, resulting in dissatisfaction. In addition, many community members lack awareness and understanding of CSR activities, reducing their involvement. According to Putnam (1994), a well-informed community is likelier to engage in collective efforts. However, due to limited access to information, many residents remain unaware of the potential benefits of Makin Mesra CSR, which limits their involvement and reduces the overall impact on community development.

Thus, based on the research, it can be said that although CSR Makin Mesra aims to improve community welfare, its success is hampered by various challenges, such as limited human resources, slow disbursement of funds, data inconsistencies, and low participation. To overcome these problems, better project management, faster administrative processes, accurate data, and better communication and education from related parties are needed to involve the community. These improvements can help CSR Makin Mesra achieve its goals, provide tangible benefits to the community, and support sustainable development in West Aceh.

3.4. Challenges and Strategies in Implementing CSR Makin Mesra in West Aceh

Implementing the Increasingly Mesra Corporate Social Responsibility (CSR) program in West Aceh faces five significant challenges that affect its effectiveness and impact. For example, there is a mismatch between planned CSR activities and their realization, very minimal use of technology, inconsistencies in implementation time in completing CSR activity programs, low community participation, and a need for more information and education for the community regarding CSR activities. Figure 4 shows several challenges in implementing the More Mesra CSR Innovation in West Aceh Regency.



Figure 4. Challenges in Implementing CSR Innovations are Increasingly Friendly

Source: Processed by Researchers (2024)

One of the main challenges is the incompatibility of implementation times in completing CSR activity programs, which slows the process of disbursing funds for CSR activities. Slow administrative processes can hinder the implementation of activities, as the funds needed to support various initiatives may be late (Ali et al., 2020; Golob et al., 2018; Turker, 2018). This delay can potentially cause delays in project implementation, disrupt activity schedules, and reduce the positive impact of CSR programs (Fish & Wood, 2017). Another challenge arising from the mismatch between CSR program beneficiaries and Integrated Social Welfare Data is that lack of information often causes tension between the parties involved and hampers the effectiveness of CSR programs (Bosch-Badia et al., 2013; Owen & Kemp, 2023).

Companies need to strengthen collaboration with various stakeholders to address this challenge (Furqoni & Rosyadi, 2019). This includes aligning CSR programs with local government priorities and ensuring they support West Aceh's long-term development goals. For example, if the focus is on education, companies can allocate CSR funds for building schools, providing scholarships, or training teachers. Such efforts not only enhance the company's image but also contribute to regional development. Additionally, partnering with NGOs and local communities makes CSR programs more inclusive and responsive to local needs, such as empowering women through skills training and business capital (Ahfan et al., 2015). This engagement also fosters a sense of ownership among community members, increasing their commitment to the program's success.

Three key strategies for addressing challenges in implementing CSR Makin Mesra in West Aceh are using a participatory approach, focusing on economic and social empowerment, and committing to transparency, accountability, and environmental sustainability. Integrating theoretical perspectives with field data provides a clearer understanding of how these strategies enhance program effectiveness. First, a participatory approach underscores the importance of involving communities in decision-making processes (Arnstein, 2019; Ianniello et al., 2019). Field data reveal that CSR programs that involve community members in planning and implementation are more effective and sustainable. For example, when CSR Makin Mesra involved community members in expressing their needs and aspirations during the early stages, it increased their sense of ownership and commitment to the program. Such involvement leads to interventions more tailored to local needs, increasing their relevance and impact (Cornwall, 2008; Reed, 2008).

Second, there is an emphasis on economic and social empowerment (Hill, 2003; Watts, 1991). Field observations of CSR Makin Mesra indicate that entrepreneurship training and skills development have significantly enhanced the capacity of local communities. This effort also aligns with the UNDP (2015) principles of sustainable development, which advocate reducing reliance on unstable sources of income, such as seasonal work (Bappenas, 2024). Furthermore, providing women with access to training and capital addresses barriers to economic resources and promotes more inclusive development outcomes (Hák et al., 2016).

Third, transparency and accountability in CSR reflect the principles of open communication and building trust between companies and communities (Turker, 2018). Makin Mesra's emphasis on transparent reporting, including financial disclosure and social impact assessment, has strengthened trust among stakeholders, as demonstrated by field data. The ongoing monitoring and evaluation process, supported by Bosch-Badia et al. (2013), ensures that CSR activities remain relevant to community needs and meet their objectives. Lastly, there is a focus on environmental sustainability (Parker, 2018). Field data shows that initiatives such as land rehabilitation and

sustainable agricultural practices under Makin Mesra's CSR have helped local farmers adopt environmentally friendly techniques, increasing agricultural productivity. This approach ensures that economic growth is pursued with ecological conservation, which aligns with the global sustainable development goals. The integration of these strategies has enabled CSR Makin Mesra to have a tangible impact on the people of West Aceh. Field evidence shows that the program has begun to address deep-rooted problems such as poverty and unemployment when implemented with a well-planned and holistic approach through community empowerment (P. P. Mishra et al., 2024). CSR Makin Mesra West Aceh can significantly contribute to the region's social and economic progress, both in meeting immediate needs and promoting long-term sustainable development.

3.4.1. Poverty Reduction

Poverty remains a pressing challenge in West Aceh, where many households struggle to meet basic needs. The CSR Makin Mesra program will tackle this issue head-on by providing targeted skills training and economic empowerment initiatives. These programs equip local communities with the knowledge and practical skills to enhance their productivity and income-generating capabilities. The training offered encompasses technical and managerial skills, critical for effectively managing small and medium enterprises (SMEs). By focusing on these areas, the program aims to foster an environment where individuals are better prepared to pursue decent work opportunities, thereby improving their overall quality of life.

The significance of this training is evident in the experiences of community members. One informant, Ts, said: "The training has helped us a lot, especially in learning how to manage our small businesses better. With these new skills, I have increased my income and supported my family more effectively." (Interviewed, Ts, June 2024). This statement reflects the tangible benefits of the skills training provided by CSR Makin Mesra. It highlights how the program enhances individual capabilities and contributes to the broader goal of poverty reduction. As participants gain confidence and competence in their business operations, they are better positioned to achieve financial stability and uplift their families out of poverty. Thus, the CSR Makin Mesra initiative is a critical step toward addressing the systemic challenges of poverty in West Aceh, empowering individuals to take charge of their economic futures.

3.4.2. Decreasing Unemployment

The CSR Makin Mesra program aims to play a pivotal role in reducing the unemployment rate in West Aceh. In this region, job scarcity poses a significant challenge to economic stability. To address this issue, the program focuses on generating new job opportunities and bolstering local economic sectors. By supporting various economic initiatives, including regional infrastructure development and assistance for small and medium enterprises (SMEs), CSR Makin Mesra seeks to create a robust employment landscape. These initiatives stimulate immediate job creation and lay the groundwork for sustainable economic growth by empowering local businesses. Moreover, the program emphasizes aligning training with labor market demands. By equipping local workers with skills relevant to available job positions, CSR Makin Mesra enhances their employability and prepares them to take advantage of the new opportunities arising from infrastructure projects and SME support. This strategic focus on workforce development ensures that community members are finding jobs and better prepared for long-term career success.

The impact of these efforts is echoed in the words of one informant, Rk, who noted: "Since the program started, we've seen more job opportunities, especially

with the new infrastructure projects. Many of us who were unemployed have found work, and some have even started their small businesses with the support from CSR.” (Interviewed, Rk, June 2024). This statement highlights the tangible outcomes of the CSR Makin Mesra initiative in combating unemployment. It underscores the program’s effectiveness in facilitating job creation and fostering entrepreneurship within the community. By bridging the gap between workforce skills and job availability, CSR Makin Mesra alleviates unemployment and contributes to a more vibrant and resilient local economy.

3.4.3. Driving Economic Growth

A primary objective of the CSR Makin Mesra program is to spur economic growth in West Aceh. The initiative emphasizes the importance of developing the local economy by actively supporting small and medium enterprises (SMEs) and creating new job opportunities. By providing crucial assistance—such as financial support, training, and resources—this program aims to empower local entrepreneurs to establish and grow their businesses. This enhances local economic capacity and fosters a more resilient and vibrant community. The development of SMEs is vital for regional economic growth. As these businesses expand, they contribute significantly to job creation, which helps reduce unemployment rates and increase overall household incomes. Additionally, the focus on entrepreneurship stimulates innovation, encouraging individuals to explore new business ideas and practices. This dynamic environment can lead to a more competitive local economy as businesses strive to meet consumer demands and adapt to market trends.

An informant from the local business sector remarked, Bm, “The support from CSR Makin Mesra has made a big difference. My business has grown with financial assistance and training, and I can now hire more people. It has helped in boosting the local economy.” (Interviewed, Bm, July 2024). This statement underscores the tangible impact of the CSR program on local entrepreneurs and highlights how its support translates into tangible economic benefits for the community. As more businesses thrive, the cumulative effect can lead to enhanced financial stability and a better quality of life for residents of West Aceh. Through its commitment to fostering entrepreneurship and economic growth, CSR Makin Mesra plays a critical role in shaping a prosperous future for the region.

3.4.4. Increasing Local Economic Capacity

The CSR of Makin Mesra program is committed to increasing local economic capacity by providing technical and financial support to small and medium businesses. This program aims to create a sustainable and productive business ecosystem by strengthening local business capacity. This support includes providing access to capital, managerial skills training, and technical assistance necessary to increase business efficiency and productivity. By increasing local economic capacity, the region will be better able to face economic challenges and create more significant growth opportunities in the future. One of the main pillars of the CSR Makin Mesra program is providing financial support to small and medium businesses that need help gaining access to the necessary capital for business expansion and development through loans, grants, or direct investment schemes.

In discussing the impact of the program on local economic capacity, an informant, Im, said: “The access to capital and training provided by CSR Makin Mesra has given us the tools to expand our businesses. Before, it was difficult to get funding, but now, we have the resources needed to grow.” (Interviewed, Im, July 2024). This statement underscores the role of CSR Makin Mesra in empowering local entrepreneurs and

enhancing the region's economic capacity. Overall, CSR Makin Mesra is expected to have a broad positive impact on the people of West Aceh. By addressing poverty, reducing unemployment, and spurring economic growth, this program has the potential to significantly change people's lives. Although existing challenges cannot be ignored, dedication and commitment to this program can contribute to sustainable development and improved community welfare in West Aceh.

4. Conclusion

This research concludes that the CSR Makin Mesra innovation is an essential breakthrough in utilizing corporate social responsibility to alleviate poverty in West Aceh Regency. This program has positively improved the area's community welfare and economic stability. Despite facing various challenges, such as limited resources, complicated distribution processes, and coordination problems, CSR Makin Mesra has significantly contributed to creating economic opportunities and strengthening local economic capacity. In the context of poverty alleviation, CSR Makin Mesra has succeeded in responding to several basic community needs, especially in terms of access to capital and technical support for small and medium enterprises (SMEs). This program helps local entrepreneurs increase their businesses' efficiency and productivity by providing managerial skills training and technical assistance. As a result, there is sustainable economic growth and a more significant increase in local economic capacity, providing a stronger foundation for the future of the regional economy.

The author's recommendations for improvement include strengthening human resource capacity through intensive training and developing special skills for the implementation team. In addition, fund distribution procedures need to be reformed to make them more efficient and responsive to local needs. By implementing these recommendations, it is hoped that CSR Makin Mesra can be more effective in overcoming poverty and improving community welfare in West Aceh Regency.

Acknowledgment

We would like to extend our heartfelt gratitude to the Ministry of Education and Culture for funding this research through the Fundamental Research Scheme (105/UN59.7LPPM-PL/2024). We are also deeply thankful to Universitas Teuku Umar for their unwavering support throughout the research process.

References

- Adams, C., Alhamood, A. M., & He, X. (2022). The Development and Implementation of GRI Standards: Practice and Policy Issues. In C. Adams (Ed.), *Handbook of Accounting and Sustainability* (pp. 26–43). Edward Elgar Publishing Ltd. <https://doi.org/10.4337/9781800373518>
- Ahfan, R., Asrori, & Sipahutar, H. (2015). Pemberdayaan Masyarakat pada Program PNPM MP, Desa Peradaban, CSR dan Posdaya (Konteks Lahirnya UU No. 6 Tahun 2014). *Jurnal Bina Praja*, 7(1), 89–100. <https://doi.org/10.21787/jbp.07.2015.89-99>
- Ali, S. H., Khan, N.-S., & Yildiz, Y. (2020). Leadership Effects on CSR Employee, Media, Customer, and NGOs. *Management and Economics Research Journal*, 6, 9. <https://doi.org/10.18639/MERJ.2020.961566>
- Ambarini, N. S. B. (2010). Corporate Social Responsibility (CSR) Sebagai Instrumen Hukum Ekonomi di Era Globalisasi. *Jurnal Dinamika Hukum*, 10(3), 315–326. <https://doi.org/10.20884/1.jdh.2010.10.3.101>
- Amin-Chaudhry, A. (2016). Corporate Social Responsibility-From a Mere Concept to an Expected Business Practice. *Social Responsibility Journal*, 12(1), 190–207. <https://doi.org/10.1108/SRJ-02-2015-0033>
- Ansell, C., & Gash, A. (2007). Collaborative Governance in Theory and Practice. *Journal of Public Administration Research and Theory*, 18(4), 543–571. <https://doi.org/10.1093/jopart/mum032>
- Antoci, A., Russu, P., & Ticci, E. (2019). Mining and Local Economies: Dilemma between Environmental Protection and Job Opportunities. *Sustainability*, 11(22), 6244. <https://doi.org/10.3390/su11226244>
- Arnstein, S. R. (2019). A Ladder of Citizen Participation. *Journal of the American Planning Association*, 85(1), 24–34. <https://doi.org/10.1080/01944363.2018.1559388>

- Bappenas. (2024). *SDGs Indonesia*. Bappenas. <https://sdgs.bappenas.go.id/>
- Bezzola, S., Günther, I., Brugger, F., & Lefoll, E. (2022). CSR and Local Conflicts in African Mining Communities. *World Development*, 158, 105968. <https://doi.org/10.1016/j.worlddev.2022.105968>
- Bosch-Badia, M. T., Montllor-Serrats, J., & Tarrazon, M. A. (2013). Corporate Social Responsibility from Friedman to Porter and Kramer. *Theoretical Economics Letters*, 3(3), 11–15. <https://doi.org/10.4236/tel.2013.33A003>
- Bowen, G., Appiah, D., & Okafor, S. (2020). The Influence of Corporate Social Responsibility (CSR) and Social Media on the Strategy Formulation Process. *Sustainability*, 12(15), 6057. <https://doi.org/10.3390/SU12156057>
- Brynjolfsson, E., & McElheran, K. (2016). The Rapid Adoption of Data-Driven Decision-Making. *American Economic Review*, 106(5), 133–139. <https://doi.org/10.1257/aer.p20161016>
- Buhmann, K. (2006). Corporate Social Responsibility: What Role for Law? Some Aspects of Law and CSR. *Corporate Governance*, 6(2), 188–202. <https://doi.org/10.1108/14720700610655187>
- Carroll, A. B. (2021). Corporate Social Responsibility: Perspectives on the CSR Construct's Development and Future. *Business & Society*, 60(6), 1258–1278. <https://doi.org/10.1177/00076503211001765>
- Carroll, A. B., & Brown, J. A. (2018). Corporate Social Responsibility: A Review of Current Concepts, Research, and Issues. In J. Weber & D. M. Wasieleski (Eds.), *Corporate Social Responsibility* (Vol. 2, pp. 39–69). Emerald Group Publishing Ltd. <https://doi.org/10.1108/S2514-175920180000002002/FULL/XML>
- Cha, W., & Rajadhyaksha, U. (2021). What Do We Know About Corporate Philanthropy? A Review and Research Directions. *Business Ethics, the Environment & Responsibility*, 30(3), 262–286. <https://doi.org/10.1111/beer.12341>
- Charles, M., & Billon, P. Le. (2021). Corporate Accountability and Diplomatic Liability in Overseas Extractive Projects. *The Extractive Industries and Society*, 8(1), 467–476. <https://doi.org/10.1016/j.exis.2020.12.001>
- Cho, S. J., Chung, C. Y., & Young, J. (2019). Study on the Relationship between CSR and Financial Performance. *Sustainability*, 11(2), 343. <https://doi.org/10.3390/su11020343>
- Cornwall, A. (2008). Unpacking 'Participation': Models, Meanings and Practices. *Community Development Journal*, 43(3), 269–283. <https://doi.org/10.1093/cdj/bsn010>
- de Freitas Netto, S. V., Sobral, M. F. F., Ribeiro, A. R. B., & Soares, G. R. da L. (2020). Concepts and Forms of Greenwashing: A Systematic Review. *Environmental Sciences Europe*, 32(1), 1–12. <https://doi.org/10.1186/s12302-020-0300-3>
- Fadun, S. O. (2014). Corporate Social Responsibility (CSR) Practices and Stakeholders Expectations: The Nigerian Perspectives. *Research in Business and Management*, 1(2), 13–31. <https://doi.org/10.5296/rbm.v1i2.5500>
- Fahrial, Utama, A. S., & Dewi, S. (2019). Pemanfaatan Corporate Social Responsibility (CSR) terhadap Pembangunan Perekonomian Desa. *Jurnal Wawasan Yuridika*, 3(2), 251–264. <https://doi.org/10.25072/jwy.v3i2.256>
- Fatima, T., & Elbanna, S. (2022). Corporate Social Responsibility (CSR) Implementation: A Review and a Research Agenda Towards an Integrative Framework. *Journal of Business Ethics* 2022 183:1, 183(1), 105–121. <https://doi.org/10.1007/s10551-022-05047-8>
- Fish, A. J., & Wood, J. (2017). Promoting a Strategic Business Focus to Balance Competitive Advantage and Corporate Social Responsibility – Missing Elements. *Social Responsibility Journal*, 13(1), 78–94. <https://doi.org/10.1108/SRJ-04-2016-0054>
- Freeman, R. E., & Reed, D. L. (1983). Stockholders and Stakeholders: A New Perspective on Corporate Governance. *California Management Review*, 25(3), 88–106. <https://doi.org/10.2307/41165018>
- Frynas, J. G. (2005). The False Developmental Promise of Corporate Social Responsibility: Evidence From Multinational Oil Companies. *International Affairs*, 81(3), 581–598. <https://doi.org/10.1111/j.1468-2346.2005.00470.x>
- Furqoni, I., & Rosyadi, S. (2019). Collaborative Governance in Corporate Social Responsibility Forum in Banyumas Regency. *Jurnal Bina Praja*, 11(2), 209–217. <https://doi.org/10.21787/jbp.11.2019.209-217>
- Galbreath, J. (2006). Corporate Social Responsibility Strategy: Strategic Options, Global Considerations. *Corporate Governance*, 6(2), 175–187. <https://doi.org/10.1108/14720700610655178>
- Gandi, H. R., & Mutaqi, A. S. (2022). Studi Evaluasi Penerapan CSR (Corporate Social Responsibility) pada PT. Jasa Marga Tbk. *Jurnal Wilayah, Kota Dan Lingkungan Berkelanjutan*, 1(2), 48–55. <https://doi.org/10.58169/JWIKAL.V1I2.94>

- García-Gómez, J. J., & Pérez-Cebada, J. D. (2020). A Socio-Environmental History of a Copper Mining Company: Rio-Tinto Company Limited (1874–1930). *Sustainability*, 12(11), 4521. <https://doi.org/10.3390/su12114521>
- Gautier, A., & Pache, A. C. (2015). Research on Corporate Philanthropy: A Review and Assessment. *Journal of Business Ethics*, 126(3), 343–369. <https://doi.org/10.1007/s10551-013-1969-7>
- Ghimire, P. R., Devkota, N., Marasini, T., Khanal, G., Deuja, J., & Khadka, U. (2024). Does Joint Land Ownership Empower Rural Women Socio-Economically? Evidence From Eastern Nepal. *Land Use Policy*, 138, 107052. <https://doi.org/10.1016/j.landusepol.2024.107052>
- Golob, U., Turkel, S., Kronegger, L., & Uzunoglu, E. (2018). Uncovering CSR Meaning Networks: A Cross-National Comparison of Turkey and Slovenia. *Public Relations Review*, 44(4), 433–443. <https://doi.org/10.1016/j.pubrev.2018.05.003>
- Hadisuamardjo, H. (2014). Efektivitas Implementasi Kebijakan Program CSR dalam Bidang Pendidikan. *Jurnal Administrasi Pendidikan*, 11(2), 51–67. <https://doi.org/10.17509/jap.v21i2.6675>
- Hajad, V. (2021). The Dilemma of Natural Resources: Economic Opportunities and Challenges Post-conflict. *International Journal of Energy Economics and Policy*, 11(1), 426–432. <https://doi.org/10.32479/IJEEP.10326>
- Hajad, V., Ikhsan, Herizal, Latif, I. R., & Marefanda, N. (2023). Poverty and the Curse of Natural Resources in Indonesia. *Journal of Contemporary Governance and Public Policy*, 4(1), 41–58. <https://doi.org/10.46507/jcgpp.v4i1.92>
- Hák, T., Janoušková, S., & Moldan, B. (2016). Sustainable Development Goals: A Need for Relevant Indicators. *Ecological Indicators*, 60, 565–573. <https://doi.org/10.1016/j.ecolind.2015.08.003>
- Hasanah, I., Matondang, K. A., Sari, G., & Akbar, Mhd. A. (2024). Implementation of Corporate Social Responsibility (CSR) on Changes in Profitability at PT Unilever Tbk Indonesia. *Aurelia: Jurnal Penelitian Dan Pengabdian Masyarakat Indonesia*, 3(1), 342. <https://doi.org/10.57235/aurelia.v3i1.1513>
- Hill, M. T. (2003). Development As Empowerment. *Feminist Economics*, 9(2–3), 117–135. <https://doi.org/10.1080/1354570022000077962>
- Hoelscher, K., & Rustad, S. A. (2019). CSR and Social Conflict in the Brazilian Extractive Sector. *Conflict, Security & Development*, 19(1), 99–119. <https://doi.org/10.1080/14678802.2019.1561633>
- Hung Chen, C. (2011). The Major Components of Corporate Social Responsibility. *Journal of Global Responsibility*, 2(1), 85–99. <https://doi.org/10.1108/20412561111128546>
- Ianniello, M., Iacuzzi, S., Fedele, P., & Brusati, L. (2019). Obstacles and Solutions on the Ladder of Citizen Participation: A Systematic Review. *Public Management Review*, 21(1), 21–46. <https://doi.org/10.1080/14719037.2018.1438499>
- Idemudia, U. (2010). Rethinking the Role of Corporate Social Responsibility in the Nigerian Oil Conflict: The Limits of CSR. *Journal of International Development*, 22(7), 833–845. <https://doi.org/10.1002/jid.1644>
- Johannessen, J. A., Olsen, B., & Olaisen, J. (1999). Aspects of Innovation Theory Based on Knowledge-Management. *International Journal of Information Management*, 19(2), 121–139. [https://doi.org/10.1016/S0268-4012\(99\)00004-3](https://doi.org/10.1016/S0268-4012(99)00004-3)
- Kapoor, I. (2002). The Devil's in the Theory: A Critical Assessment of Robert Chambers' Work on Participatory Development. *Third World Quarterly*, 23(1), 101–117. <https://doi.org/10.1080/01436590220108199>
- Khan, I., Fujimoto, Y., Uddin, M. J., & Afridi, M. A. (2023). Evaluating Sustainability Reporting on Gri Standards in Developing Countries: A Case of Pakistan. *International Journal of Law and Management*, 65(3), 189–208. <https://doi.org/10.1108/IJLMA-01-2022-0016>
- Koesriwulandari. (2015). Dampak CSR (Corporate Social Responsibility) Terhadap Penanggulangan Kemiskinan Kabupaten Sidoarjo. *Jurnal Ilmiah Sosio Agribis*, 15(1), 44–56. <https://doi.org/10.30742/jisa1512015360>
- Kolk, A. (2016). The Social Responsibility of International Business: From Ethics and the Environment to CSR and Sustainable Development. *Journal of World Business*, 51(1), 23–34. <https://doi.org/10.1016/j.jwb.2015.08.010>
- Kotler, P., & Lee, N. (2005). Best of Breed: When It Comes to Gaining a Market Edge While Supporting a Social Cause, "Corporate Social Marketing" Leads the Pack. *Social Marketing Quarterly*, 11(3–4), 91–103. <https://doi.org/10.1080/15245000500414480>
- Kurpierz, J. R., & Smith, K. (2020). The Greenwashing Triangle: Adapting Tools From Fraud to Improve CSR Reporting. *Sustainability Accounting, Management and Policy Journal*, 11(6), 1075–1093. <https://doi.org/10.1108/SAMPJ-10-2018-0272>

- Lantos, G. P. (2001). The Boundaries of Strategic Corporate Social Responsibility. *Journal of Consumer Marketing*, 18(7), 595–632. <https://doi.org/10.1108/07363760110410281>
- Lindgreen, A., Swaen, V., & Maon, F. (2009). Introduction: Corporate Social Responsibility Implementation. *Journal of Business Ethics*, 85(SUPPL. 2), 251–256. <https://doi.org/10.1007/s10551-008-9732-1>
- Maheshwari, M., Gupta, A. K., Gaur, P., Tiwari, N., & Goyal, S. (2024). Corporate Social Responsibility in the Global Business World: A Conceptual, Regulatory, and Illustrative Framework. In *Corporate Social Responsibility in the Global Business World*. Apple Academic Press. <https://doi.org/10.1201/9781003411000>
- Mahoney, L. S., Thorne, L., Cecil, L., & LaGore, W. (2013). A Research Note on Standalone Corporate Social Responsibility Reports: Signaling or Greenwashing? *Critical Perspectives on Accounting*, 24(4–5), 350–359. <https://doi.org/10.1016/j.cpa.2012.09.008>
- Majer, M. (2021). The Practice of Mining Companies in Building Relationships with Local Communities in the Context of CSR Formula. *Journal of Sustainable Mining*, 12(3), 7. <https://doi.org/10.46873/2300-3960.1299>
- McBarnet, D. (2009). Corporate Social Responsibility Beyond Law, Through Law, for Law. In *SSRN Electronic Journal* (2009/03). Elsevier BV. <https://doi.org/10.2139/ssrn.1369305>
- Mishra, D. R. (2017). Post-innovation CSR Performance and Firm Value. *Journal of Business Ethics*, 140(2), 285–306. <https://doi.org/10.1007/s10551-015-2676-3>
- Mishra, P. P., Sravan, C., & Mishra, S. K. (2024). Extracting Empowerment: A Critical Review on Violence Against Women in Mining and Mineral Extraction. *Energy Research & Social Science*, 109, 103414. <https://doi.org/10.1016/j.erss.2024.103414>
- Mithani, M. A. (2017). Innovation and CSR — Do They Go Well Together? *Long Range Planning*, 50(6), 699–711. <https://doi.org/10.1016/j.lrp.2016.08.002>
- Moratis, L. (2017). The Credibility of Corporate CSR Claims: A Taxonomy Based on ISO 26000 and a Research Agenda. *Total Quality Management & Business Excellence*, 28(1–2), 147–158. <https://doi.org/10.1080/14783363.2015.1050179>
- Nguyen, N., Priporas, C. V., McPherson, M., & Manyiwa, S. (2023). CSR-Related Consumer Scepticism: A Review of the Literature and Future Research Directions. *Journal of Business Research*, 169, 114294. <https://doi.org/10.1016/j.jbusres.2023.114294>
- Nuzula, N. F. (2009). Corporate Social Responsibility: Sebuah Keniscayaan Strategi Bisnis di Indonesia. *Iqtishoduna*, 5(1). <https://doi.org/10.18860/iq.v4i1.274>
- Orlitzky, M., & Shen, J. (2013). Corporate Social Responsibility, Industry, and Strategy. *Industrial and Organizational Psychology*, 6(4), 346–350. <https://doi.org/10.1111/iops.12064>
- O'Rourke, D., & Strand, R. (2017). Patagonia: Driving Sustainable Innovation by Embracing Tensions. *California Management Review*, 60(1), 102–125. <https://doi.org/10.1177/0008125617727748>
- Owen, J. R., & Kemp, D. (2023). A Return to Responsibility: A Critique of the Single Actor Strategic Model of CSR. *Journal of Environmental Management*, 341, 118024. <https://doi.org/10.1016/j.jenvman.2023.118024>
- Parker, L. (2018). Environmentalism and Education for Sustainability in Indonesia. *Indonesia and the Malay World*, 46(136), 235–240. <https://doi.org/10.1080/13639811.2018.1519994>
- Pons, A., Vintrò, C., Rius, J., & Vilaplana, J. (2021). Impact of Corporate Social Responsibility in Mining Industries. *Resources Policy*, 72, 102117. <https://doi.org/10.1016/j.resourpol.2021.102117>
- Pratiwi, W. D., & Izzatusholekha. (2022). Implementasi Corporate Social Responsibility di PT Pertamina (Persero). *Jurnal Ilmu Manajemen, Ekonomi Dan Kewirausahaan*, 2(1), 163–169. <https://doi.org/10.55606/jimek.v2i1.208>
- Putnam, R. D. (1994). Social Capital and Public Affairs. *Bulletin of the American Academy of Arts and Sciences*, 47(8), 19. <https://doi.org/10.3390/su12156057>
- Ratajczak, P., & Szutowski, D. (2016). Exploring the Relationship Between CSR and Innovation. *Sustainability Accounting, Management and Policy Journal*, 7(2), 295–318. <https://doi.org/10.1108/SAMPJ-07-2015-0058>
- Ratmono, D., & Sagala, W. M. (2015). Pengungkapan Corporate Social Responsibility (CSR) Sebagai Sarana Legitimasi: Dampaknya Terhadap Tingkat Agresivitas Pajak. *Nominal: Barometer Riset Akuntansi Dan Manajemen Indonesia*, 4(2), 16–30. <https://doi.org/10.21831/nominal.v4i2.7997>
- Reed, M. S. (2008). Stakeholder Participation for Environmental Management: A Literature Review. *Biological Conservation*, 141(10), 2417–2431. <https://doi.org/10.1016/j.biocon.2008.07.014>

- Rela, I. Z., Awang, A. H., Ramli, Z., Taufik, Y., Md. Sum, S., & Muhammad, M. (2020). Effect of Corporate Social Responsibility on Community Resilience: Empirical Evidence in the Nickel Mining Industry in Southeast Sulawesi, Indonesia. *Sustainability*, 12(4), 1395. <https://doi.org/10.3390/su12041395>
- Russon, J.-A. (2023). The CSR-ODA Nexus. In *Multinationals, Poverty Alleviation and UK Aid: The Complex Quest for Mutually Beneficial Outcomes* (pp. 193–210). Routledge. <https://doi.org/10.4324/9781003251422-9>
- Sager, F., & Rosser, C. (2009). Weber, Wilson, and Hegel: Theories of Modern Bureaucracy. *Public Administration Review*, 69(6), 1136–1147. <https://doi.org/10.1111/j.1540-6210.2009.02071.x>
- Saha, R., Shashi, Cerchione, R., Singh, R., & Dahiya, R. (2020). Effect of Ethical Leadership and Corporate Social Responsibility on Firm Performance: A Systematic Review. *Corporate Social Responsibility and Environmental Management*, 27(2), 409–429. <https://doi.org/10.1002/csr.1824>
- Sama, L. M., Stefanidis, A., & Horak, S. (2020). Business Ethics for a Global Society: Howard Bowen's Legacy and the Foundations of United Nations' Sustainable Development Goals. *International Studies of Management & Organization*, 50(3), 201–208. <https://doi.org/10.1080/00208825.2020.1811526>
- Sjioen, A. E., Amaludin, A., Rukmana, A. Y., Syamsulbahri, & Wahyudi, I. (2023). Bisnis Berkelanjutan dan Tanggung Jawab Sosial Perusahaan: Studi tentang Dampak dan Strategi Implementasi. *Jurnal Bisnis Dan Manajemen West Science*, 2(3), 239–248. <https://doi.org/10.58812/jbmws.v2i03.557>
- Susilowati, K. D. S. (2017). The Role of Social Capital in the Implementation of Corporate Social Responsibility (CSR): Lesson Learned From PT. Unilever Indonesia Tbk. *Journal of Innovation in Business and Economics*, 1(1), 1–10. <https://doi.org/10.22219/jibe.v1i01.5328>
- Tereso, A., Ribeiro, P., Fernandes, G., Loureiro, I., & Ferreira, M. (2018). Project Management Practices in Private Organizations. *Project Management Journal*, 50(1), 6–22. <https://doi.org/10.1177/8756972818810966>
- Thanh Binh, N. T. (2023). Gains and Losses When Implementing CSR: Insights From Taiwanese Banks. *Social Responsibility Journal*, 19(6), 1107–1122. <https://doi.org/10.1108/SRJ-07-2021-0304>
- Thijssens, T., Bollen, L., & Hassink, H. (2015). Secondary Stakeholder Influence on CSR Disclosure: An Application of Stakeholder Salience Theory. *Journal of Business Ethics*, 132(4), 873–891. <https://doi.org/10.1007/s10551-015-2623-3>
- Turker, D. (2018). Social Responsibility and Human Resource Management. In *Managing Social Responsibility: Functional Strategies, Decisions and Practices* (pp. 131–144). Springer, Cham. https://doi.org/10.1007/978-3-319-91710-8_8
- von Schnurbein, G., Seele, P., & Lock, I. (2016). Exclusive Corporate Philanthropy: Rethinking the Nexus of CSR and Corporate Philanthropy. *Social Responsibility Journal*, 12(2), 280–294. <https://doi.org/10.1108/SRJ-10-2014-0149>
- Watts, M. (1991). Entitlements or Empowerment? Famine and Starvation in Africa. *Review of African Political Economy*, 18(51), 9. <https://doi.org/10.1080/03056249108703903>
- Wettstein, F. (2012). CSR and the Debate on Business and Human Rights: Bridging the Great Divide. *Business Ethics Quarterly*, 22(4), 739–770. <https://doi.org/10.5840/beq20122446>
- Windsor, D. (2006). Corporate Social Responsibility: Three Key Approaches. *Journal of Management Studies*, 43(1), 93–114. <https://doi.org/10.1111/j.1467-6486.2006.00584.x>
- Yakovleva, N., & Vazquez-Brust, D. (2012). Stakeholder Perspectives on CSR of Mining MNCs in Argentina. *Journal of Business Ethics*, 106(2), 191–211. <https://doi.org/10.1007/s10551-011-0989-4>
- Yoon, Y., Gürhan-Canli, Z., & Schwarz, N. (2006). The Effect of Corporate Social Responsibility (CSR) Activities on Companies With Bad Reputations. *Journal of Consumer Psychology*, 16(4), 377–390. https://doi.org/10.1207/s15327663jcp1604_9
- Zhao, J. (2017). Promoting More Socially Responsible Corporations Through a Corporate Law Regulatory Framework. *Legal Studies*, 37(1), 103–136. <https://doi.org/10.1111/lest.12140>