

# Corporate Social Responsibility (CSR) towards Sustainable Development: Case Study from KJA Biruputih

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## ABSTRACT

Corporate Social Responsibility (CSR) is a key element in business strategy to contribute to sustainable development goals through balancing interest in generating profit with social and environmental responsibility. This research aims to understand how Accountant Service Office (Kantor Jasa Akuntan = KJA), as a business unit, practises its corporate social responsibility. The research method of this study is qualitative research using KJA Biruputih in Surabaya. This case study collects data from internal documents, conducts interviews with some respondents from KJA Biruputih, and undertakes observation in some activities related to preparing the CSR program and the report. The main CSR program, called Andum Asih, has been designed to have an impact on the community surrounding KJA in addressing social and environmental issues. This study highlighted that KJA face some challenges in undertaking its CSR program. The main challenges include the limited resources, short-term oriented program, and lack of understanding in the way to design the program toward sustainable development goals. Therefore, KJA need to evaluate and take an action plan to improve their CSR program to be more effective by empowering potential internal resources. Actions such as management commitment, staff coordination as a team, and improving the program design align with the Sustainable Development Goals. Improvement in the way KJA undertakes the CSR might contribute to addressing community social and environmental issues toward sustainability.

**Keywords:** *Corporate Social Responsibility (CSR), Sustainable Development Goals (SDGs), Community Empowerment, Accountant Service Office*

## 1. INTRODUCTION

Corporate Social Responsibility (CSR) has become a key element in the business world, especially in addressing global social and environmental challenges (Lu et al., 2014). As part of business strategy, enterprises now focus not only on financial profit but also on environmental and social aspects, known as the Triple Bottom Line (Alshehhi et al., 2018; Vitolla et al., 2016). In 2015, the United Nations formulated the Sustainable Development Goals (SDGs) as a global guide for companies to align their social responsibility with social and environmental challenges (Walsh et al., 2022).

Initially, CSR was seen merely as a marketing tool to improve corporate image. However, it has evolved into a long-term strategy contributing to business sustainability and the welfare of society and the environment (Rodriguez-Gomez et al., 2020). CSR is now viewed as a competitive strategy that helps businesses build strong relationships with stakeholders (Islam et al., 2021). By adopting the SDGs, companies can design CSR programs that are more effective and relevant, not just to improve their reputation but also to create a real impact for sustainable development.

This study aims to evaluate the motivation and design of the CSR program implemented by KJA Biruputih, identify obstacles in its implementation, and analyse its alignment with the Sustainable Development Goals (SDGs). This study analyses the way KJA Biruputih undertake its program by placing more effective strategies for long-term planning, optimal resource allocation, and enhanced participation from the community and stakeholders to ensure the CSR program is more sustainable and socially impactful. Therefore, this study develops the research question as (1) How do KJA Biruputih undertake its CSR program? And (2) How do KJA evaluate the effectiveness of its CSR Program?

This paper uses the concept of Corporate Social Responsibility (CSR) as a basis for understanding how companies can integrate social and environmental responsibility into their business operations. Referring to Carroll's CSR Pyramid model, it explains that corporate responsibilities encompass economic, legal, ethical, and philanthropic

aspects, which are interconnected to create sustainable businesses that positively impact society (Carroll, 2016; Silva et al., 2023).

Additionally, this study employs the framework of the Sustainable Development Goals (SDGs), which consist of 17 global goals aimed at achieving more inclusive and sustainable development. The SDGs are used to assess how well the CSR programs contribute to poverty alleviation, education, health, environment, and socio-economic welfare. In its implementation, this study adopts the 5P model (People, Planet, Prosperity, Peace, and Partnership), which serves as the main pillar of the SDGs. This approach emphasises the importance of balancing economic growth, social welfare, environmental preservation, peace, and collaboration among stakeholders. Using the concepts of CSR, SDGs, and 5P, the article analyses how companies can contribute to sustainable development through responsible and impactful business strategies.

## 2. RESEARCH METHOD

This study uses a qualitative approach with data collected through interviews, observation, and document analysis. Interviews were conducted with the key personnel from KJA Biruputih, including top management and three staff members of KJA Biruputih. Interviews were conducted to gather in-depth information on the background, implementation, and challenges of the Andum Asih CSR program. Direct observation was carried out during the implementation of the program to understand each phase of the activity, from initial planning, executing the program and the stages of preparing the report.

This study also uses document analysis by reviewing some internal reports of the program, as well as documents such as photos and records of the program execution. This study analyses data collected from interviews, observation and document analysis to understand how KJA Biruputih undertakes its CSR program. Also, to see the effectiveness of the Andum Asih program, identify challenges in its implementation, and analyse its alignment with the achievement of the Sustainable Development Goals (SDGs)

## 3. RESULTS AND DISCUSSIONS

Data collected from interviews were transcribed manually, and with documents and notes from observation, were then classified into groups with reference to the research questions developed in this study. Each data point was then coded accordingly into (1) the way KJA implement their CSR program, including background of CSR Program, motivation from management in deciding to undertake the program, the budget allocated to the program and the schedule, parties to be involved in the CSR Program. Then the other groups code as (2) discuss the evaluation of the CSR Program that has been undertaken. Triangulation of data collected in various methods is done to validate the data to be analysed.

### 3.1. Implementation of KJA Biruputih Corporate Social Responsibility (CSR) Program

The way KJA undertake its CSR Program initially was influenced by the management's consideration for social activities of their companies involving all staff. In January 2021, management agreed to start undertaking social activities for KJA Biruputih, namely "Andum Asih". This program emerged from internal discussions during the COVID-19 pandemic, aiming to expand social impact in a more structured and sustainable way. KJA is committed to planning social activities more thoroughly, from proposals to preparing the reports. Most of the activities were triggered by the social condition of people surrounding who struggle to fulfil their basic necessities, especially during and after the pandemic. Therefore, management allocates the budget and encourages the staff to get involved in the program, showing KJA's commitment to helping society. Since 2021, the program has been running well, and it has become regularly scheduled on the KJA agenda and budget allocation. Over time, environmental aspects were also integrated into the CSR program, such as mangrove planting and seminars on the Sustainable Development Goals (SDGs) as shown in Figure 1. Management mentioned that the motivation for undertaking CSR goes beyond financial profit, KJA intend to share contributions to society and the environment, and foster a culture of sharing among employees. The program also reflects the company's commitment to sustainability, seen in CSR certifications attended by directors and efforts to educate clients on the importance of SDGs.

KJA Biruputih's CSR program, Andum Asih, began in 2021 and has grown each year, and has various programs involving stakeholders from different groups of society. In 2021, it involved monthly food and supply donations to the underprivileged, including scavengers, sanitation workers, and street vendors, funded by employee donations. Activities were conducted every Friday near the office with strict health protocols. In 2022, the company added direct budget allocation for better planning, and activities included social donations and environmental efforts like mangrove planting, which occurred three times that year. In 2023 and 2024, the program expanded to orphanages, nursing

homes, and education centres for street children, providing basic needs, stationery, food, cash, and health and well-being education. Employees from all divisions, including directors, participated to ensure continuity and program success.

**Figure 1. CSR Program of KJA Biruputih**

Year	Beneficiaries	Program Model	Activities
2021	The community surrounds the office (Pemulung, Petugas Kebersihan, Pekerja Terminal, Pengemudi Becak, Pedagang Asongan, Satpam)	Donation/charity program	Giving the food and beverages, basic necessities ( <i>sembako</i> )
	Orphans house	Donation/charity program	Food, Cash, Gift package
2022	The community surrounds the office (pengguna Jalan, Petugas Kebersihan, Pengemudi Becak)	Donation/charity program	Gift package, basic necessities ( <i>sembako</i> )
	Local government	Rehabilitasi Alam	Mangrove seedlings
2023	Orphans House	Donation/charity program	Stationary, Cash, Gift package
	The community surrounds the office (Petugas Kebersihan)	Donation/charity program	basic necessities ( <i>sembako</i> )
2024	Nursing Home	Donation/charity program	Food, Cash, Gift package
	Shelter for the street children	Donation/charity program	Food, Cash, Gift package, basic necessities ( <i>sembako</i> )

Design and implementation of the CSR Program of KJA Biruputih under the Andum Asih Program, mostly to share the gift package and basic necessities with the society who are in need. KJA Biruputih undertake their program on a weekly also monthly basis according to the schedule. KJA always encourage the staff to be involved in the program; however, due to the schedule of work, KJA admitted that this becomes an internal challenge to be overcome.

### 3.2. Evaluation of KJA Biruputih's CSR Program

This study uses the Carroll Pyramids (Carroll, 1991; 2016) to evaluate the CSR Program undertaken by KJA Biruputih, which is the Andum Asih Program. The four responsibilities mentioned by Carroll, which include economic responsibilities, legal, ethical and philanthropic, are used to evaluate the program that is conducted yearly by KJA Biruputih. Economically, KJA Biruputih meets client needs professionally while educating them about SDGs, making CSR part of a sustainable business strategy. In Legal responsibility, understand that although CSR is not mandatory under Article 2 of Government Regulation No. 47/2012, KJA Biruputih intends to implement it as a commitment toward sustainable development. There are still no legal requirements and regulations that ask KJA to undertake their social responsibility, nor are there any sanctions or consequences for not taking the CSR. However, KJA Biruputih regularly practices its commitment to social activities through the Andum Asih program. Ethically, KJA demonstrates strong moral values through CSR activities that help communities without seeking profit, reflecting its commitment to community and environmental well-being. However, in the philanthropic dimension, KJA has not fully met this responsibility, as CSR activities remain limited to planned events and are not yet focused on sustainable improvements in community quality of life.

The design of the Andum Asih CSR program at KJA Biruputih needs to be optimised for more effective alignment with the Sustainable Development Goals (SDGs). Currently, the program does not fully reflect a deep awareness of CSR, requiring better planning for long-term and sustainable impact. CSR effectiveness is influenced by alignment with management philosophy, which is reflected in KJA Biruputih's vision and mission for empowerment, sustainability, and building a caring and productive community. The Andum Asih program aligns with KJA Biruputih's core values, such as "Honesty," "Integrity," and "Citizenship" internally, and "Caring," "Responsible," and "Empowered" externally. These values are reflected through transparency, community empowerment, and environmental responsibility. Despite alignment with management philosophy, further steps are needed to ensure long-term impact and more significant contributions to global development goals.

KJA Biruputih faces several challenges in implementing the Andum Asih CSR program. One major issue is time constraints during activities, requiring the team to work quickly to complete events on schedule. Another challenge is limited human resources, as not all employees can participate directly due to various reasons, requiring effective task delegation to ensure smooth execution with a limited team. In addition, it found that communication barriers also exist. The top management and directors are highly aware of the SDGs, and they intend to show their contribution to the SDGs. However, this understanding has not been fully communicated to employees. As a result, staff who technically arrange the program are limited by their understanding of the basic concept of doing CSR, such as donation activities. From the interviews and observations, this study highlighted that there is still no integration of the SDGs commitment into the CSR Program. Although directors are highly aware of the SDGs, this understanding is not fully conveyed to employees, resulting in CSR activities not being specifically aimed at achieving SDG goals. The

root issue is the low level of in-depth understanding of CSR principles, causing Andum Asih activities to focus more on short-term impact.

The Andum Asih CSR program was initially designed to help and share the social responsibility of KJA during and after the COVID-19 impact. However, many activities have indirectly contributed to several goals of the SDGs. Awareness of management and employees of SDGs has also grown, particularly in the 2024 program, which is more focused on sustainability targets. This study sees that the program conducted in 2021 tends to address SDG 1 (No Poverty) and SDG 2 (Zero Hunger) through food and holiday donations, although for Andum Asih, the impact remained short-term. Then in 2022, still focused on addressing poverty and hunger as main social issues, Andum Asih added environmental activities like mangrove planting, which might support the climate action agenda in SDGs for environmental preservation. KJA Biruputih's CSR program in 2023 and 2024 is more focused on addressing social issues such as poverty and the hunger problem through donation initiatives.

#### 4. CONCLUSION

The Andum Asih CSR program implemented by KJA Biruputih has shown a positive intention from the organisation in addressing social issues, while it found KJA still focused on short-term impact. The CSR program is executed mostly in the form of donations, which bring direct benefits to the community to address their recent and short-term issues. However, the program has yet to be fully directed toward creating long-term, sustainable impact. Challenges in its implementation include time constraints, limited human resource involvement, and ineffective communication between management and staff. KJA need to evaluate its Andum Asih program and align it with the management strategy towards sustainable development. KJA might build more effective media to communicate the management's social mission and encourage all staff to participate in the program. This study highlighted that Andum Asih has great potential to enhance its impact on society, the environment, and business sustainability. In addition, management needs to develop more effective programs, with a focus on long-term impact for beneficiaries. Thus, KJA Biruputih can strengthen its position as a sustainability-conscious enterprise, providing community benefits and creating impact in the future.

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