

**STRATEGY OF CORPORATE SOCIAL RESPONSIBILITY (CSR) OF
BANK RAKYAT INDONESIA (BRI) IN IMPROVING RELATIONS WITH
THE REGIONAL DEVELOPMENT PLANNING AGENCY (BAPPEDA)
OF MALANG REGENCY**

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ABSTRACT

Through the strategic CSR policy contained in the *Undang-Undang No. 47 Tahun 2017* is a strategic step by the government so that companies have social responsibility towards the communities around the company's operational areas. CSR itself (Corporate Social Responsibility) or what is also known as corporate social responsibility has been frequently used by various companies in Indonesia since the 1990s. One of the many limited liability companies whose operational area is in Malang Regency is *Bank BRI* Malang Kawi Branch. Based on the mandate of this law, *BRI Bank* should contribute to implementing social responsibility in Malang Regency. However, the sustainability of this CSR program is very dependent on the creation of mutually beneficial relationships between stakeholders. Using a Quantitative and Qualitative approach (Mix Methods), studied BRI's CSR Strategy in Improving Relations with *BAPPEDA* Malang Regency and found three indicators according to Maruf (2019), namely Strategy Formulation, Strategy Implementation and Strategy Evaluation and Supervision. The research results show that BRI's CSR strategy is to improve relations with *BAPPEDA* Malang Regency. In this case, the collaboration between *BRI Bank* Kawi Malang Branch and the Malang Regency Government is limited to reporting CSR programs.

Keywords: *Strategy, CSR, Bank BRI, BAPPEDA*

A. PRELIMINARY

Through the CSR policy strategy contained in the *Undang-Undang No. 47 Tahun 2017*, it is a strategic step by the government so that companies have social responsibility towards the community around the company's operational area. CSR itself (Corporate Social Responsibility) or also known as corporate social responsibility and is often used by various companies in Indonesia since the 1990s. Lately, companies are no longer only oriented towards maximizing economic profits, but have also long carried out activities aimed at corporate social concern for their external environment in social aspects and environmental

sustainability, which is commonly referred to as Corporate Social Responsibility or CSR (Corporate Social Responsibility). Corporate Social Responsibility is based on the need for companies to be able to interact with the community where the company is located in order to adapt and gain social benefits from their social relationships in the form of trust (Puput, P & Fitri, J. 2021).

Companies realize that they should not only pursue profits but also serve the desires of stakeholders. Companies also realize that if stakeholders lose trust in the company, the company's profits will also disappear. Therefore, the sustainability of the company cannot be separated from its external environment, both the natural and social environment. The Indonesian government has shown its seriousness in emphasizing that companies established in Indonesia also carry out their respective corporate social responsibilities as stated in the *Undang-Undang Republik Indonesia No. 40 Tahun 2007* Article 74 concerning Limited Liability Companies, emphasizing that the company's obligation to carry out social and environmental responsibilities is a company that carries out its business activities in the field of and/or related to natural resources (Rafika, 2021).

To achieve the success of the CSR program requires the right strategic steps, through effective communication, coordination, and collaboration patterns in order to create mutual symbiosis from the company and stakeholders in this case the Malang Regency Government. Malang Regency itself has an agency tasked with managing development planning affairs. The success of this development cannot be separated from the work of the Regional Development Planning Agency (*BAPPEDA*). Bappededa has a very important role in building a solid framework for regional development (BAPPEDA, 2019: 8-9).

Problems related to disharmony between the company and stakeholders in implementing CSR are one of the things that need to be considered. The continuity of participatory communication and collaboration which are strategic steps from the company and *BAPPEDA* Malang Regency as stakeholders greatly determine the success of CSR implementation.

B. METHOD

Using an explanation of the type of research, namely quantitative or qualitative or combining the two methods called mix methods. In the study of BRI's CSR Strategy in Improving Relations with *BAPPEDA* Malang Regency. with data collection used based on the concept of triangulation, and analysis using mix methods. to present a fact or describe statistics, to show the relationship between variables, and some are of a concept-developing nature and to find hypotheses. So the researcher chose the Young Expert Planning of *BAPPEDA* Malang Regency, the implementing staff for the economy and natural resources of the regional development planning agency, the funding and transaction relationship manager and the village head of Druju, as sources besides that the researcher used Maruf's theory (2019) which has three indicators.

C. RESULT AND DISCUSSION

Corporate Social Responsibility Strategy of *Bank Rakyat Indonesia (BRI) Tbk* in Improving Relations with the Development Planning Agency (*BAPPEDA*) of Malang Regency

Corporate Social Responsibility (CSR) Strategy of *Bank Rakyat Indonesia (BRI)* in Improving Relations with the Regional Development Planning Agency (*BAPPEDA*) in this case related to the CSR Program where *BRI* and *BAPPEDA* do not have absolute cooperation. Instead, *BRI* cooperates with any party related to the CSR program, while *BAPPEDA* Malang Regency cooperates with *Bank Jatim*. Matters related to CSR from *BRI* have two ways, namely submission from the agency where the party receiving the CSR makes a proposal related to things needed by the community. While the second is appointed by the government where there is a letter from the government regarding CSR within the scope of Malang Regency with companies or other agencies that cooperate with *BRI*, so that it is carried out. From the results of interviews and observations in the field, researchers saw that there was no cooperation between *BRI* Kawi Malang Branch and *BAPPEDA* Malang Regency but only as a CSR program report because *BAPPEDA* did not have good cooperation related to CSR on the other hand *BAPPEDA* only waited for reports from any party in this case *BRI* then included in the work program so that *Bank BRI* itself did not want to cooperate with *BAPPEDA*. The CSR strategy with one of the village governments that received CSR from the two agencies said that *BAPPEDA* was not good in the eyes of the community because the government in this case *BAPPEDA* did not realize what was proposed by the community while *BRI* realized what was proposed by the community assisted by the Indonesian Economic Association (PISE).

For more details regarding the Corporate Social Responsibility (CSR) Strategy of *Bank Rakyat Indonesia (BRI)* in improving relations with the Malang Regency Regional Development Planning Agency, the researcher analyzed it using David's theory in (Maruf, 2019) there are 3 stages of the strategy process, namely:

Strategy Formulation

Formulation of long-term plan strategy to effectively manage opportunities and threats in the external environment and focus on internal strengths and weaknesses carried out by *BAPPEDA*, namely CSR award activities, inviting companies to coordination forums and involving companies in several priority district programs which are the basis for measuring success and failure in the internal scope in attracting the sympathy of other companies to collaborate in CSR. While *BRI* Kawi does not have extra activities to attract companies but is already open in two ways, namely submission and being appointed by superiors. And also one of the Druju village governments who received and felt the CSR said that the construction of the bridge or the CSR program assistance initially submitted a submission to the Regency government but was not realized so that the Druju village community continued to try and was assisted by *BRI* CSR.

Strategy Implemented

Strategy Implementation on developing supporting strategies in, rearranging marketing efforts and linking employee compensation to organizational

performance. *BAPPEDA* implements a marketing pattern by providing rewards to companies while *BRI* collaborates with the police to help serve customers. Meanwhile, what the researcher did with the village government was related to the CSR program in implementing the construction of a bridge in Druju Village requiring and amounting to 497,430,000 with a length of 50 meters and a width of 1.2 meters with a duration of September to October 2021 and running smoothly.

Strategy Evaluation and Monitoring

Evaluation of strategy and supervision where all company activities have been running in accordance with the chosen strategic planning. The strategy implemented by *BAPPEDA* has not been maximized where not all companies report on CSR programs while *BRI*'s CSR program is in accordance with the Vision and Mission, and in the implementation of the CSR program in Druju village, the community participated in the construction of the bridge.

Supporting and inhibiting factors of CSR Strategy of *BRI* Tbk in Improving Relations with the *BAPPEDA* of Malang Regency

Supporting factors are *BAPPEDA* carried out a strategy by sending letters but it was unsuccessful from that *BAPPEDA* held a meeting to create another strategy, namely by holding CSR awards in the form of charters and certificates. In addition, *BAPPEDA* also invited all companies to the coordination forum and involved companies in several district programs, but six companies attended, not including *BRI*, and *BAPPEDA* also carried out two strategies, the first CSR forum functioned as a company, the second was a working group whose contents were regional apparatus. Both of these were through the Regent's Decree, so the Regent has the authority to hold a forum and form a working group. Meanwhile, *BRI* said that there should be feedback, but these two companies had no relationship other than reporting the CSR program, so *BRI* and *BAPPEDA* each had their own authority other than reporting the CSR program.

The inhibiting factor between *BAPPEDA* and *BRI* in collaborating on the CSR program was that *BRI* did not have a strategy because *BRI* only carried out orders from superiors and also received submissions from the community, while for cooperation with *BAPPEDA* there was no collaboration strategy.

The Impact of Corporate Social Responsibility (CSR) Strategy of Bank Rakyat Indonesia (*BRI*) in Improving Relations with the Regional Development Planning Agency (*BAPPEDA*) of Malang Regency

The impact of formulating CSR strategies in this case *BAPPEDA* and *BRI*. The impact of formulating *BAPPEDA*'s strategy is to conduct annual evaluations in terms of requesting reports from each company that implements CSR, but it is not easy for *BAPPEDA* to request these reports. Meanwhile, *BRI* continues to implement CSR according to the two programs that *BRI* has, namely submission and direct appointment, but collaboration is still lacking. In this case, there is a lack of coordination from the head office to the smallest unit which causes a lack of effective communication.

The researcher uses Strength, Weakness, Opportunity, Threat or commonly known as SWOT analysis as one of the analysis methods in formulating strategies, product sales, or new business ideas. Freddy Rangkuti (Rangkuti, 2015) explains that SWOT analysis is a systematic identification of various factors to

formulate a company's strategy. This analysis is based on logic that can maximize strengths and opportunities, but simultaneously can minimize weaknesses and threats. The strategic decision-making process is always related to the development of the company's mission, goals, strategies and policies. Thus, strategic planning must analyze the company's strategic factors (strengths, weaknesses, opportunities and threats) in the current conditions.

External Strategy Factors (*opportunity and threats*)

External Strategy Factors	Weight	Rating	Weight x Rating
Strategy Formulation	0,3	3.00	1,3
Strategy Implementation	0,3	3.50	2,3
Evaluation	0,3	3.00	3,3
Total	1.00		0,9

Internal Strategy Factors Matrix (*strengths and weaknesses*).

Internal Strategy Factors	Weight	Rating	Weight x Rating
Strategy Formulation	0,4	4.00	1,4
Strategy Implementation	0,4	2.00	2,4
Evaluation	0,4	2,50	5,9
Total	1.00		1,2

SWOT Matrix Diagram

IFAS EFAS	<i>Stregths</i>	<i>Weaknesses</i>
<i>Opportunities</i>	SO Strategy: Developing a strategy to utilize strengths (S) to take advantage of existing opportunities (O). The strength of the Regional Development Planning Agency (<i>BAPPEDA</i>) is implementing a CSR program according to the Regent's Decree and the opportunity for <i>BAPPEDA</i> is to increase the salaries of civil servants throughout the Regency. Meanwhile, Bank Rakyat Indonesia (<i>BRI</i>) implements CSR through submission and is directly appointed by superiors and the	WO Strategy: Developing a strategy to utilize opportunities (O) to overcome existing weaknesses (W). The weakness of <i>BAPPEDA</i> is the lack of managerial for performance opportunities. <i>BAPPEDA</i> does not want to increase weaknesses due to the lack of skills of the apparatus. While <i>Bank Rakyat Indonesia (BRI)</i> lacks collaboration so that for its

	opportunity for the smooth running of the CSR program, to gain Profit.	opportunities it prioritizes Profit.
<i>Threats</i>	ST Strategy: Developing a strategy to utilize strengths (S) to avoid threats (T). <i>BAPPEDA</i> 's strength in implementing CSR programs according to the Decree of the Regent of Malang Regency, to utilize opportunities <i>BAPPEDA</i> only collaborates with <i>Bank JATIM</i> while <i>Bank BRI</i> in implementing CSR through two ways, namely submission and being appointed by superiors. And <i>Bank BRI</i> 's opportunity is to collaborate with any party except <i>BAPPEDA</i> because <i>BRI</i> sees that <i>BAPPEDA</i> does not provide changes in the profit competition landscape.	SO Strategy: Developing a strategy to reduce weaknesses (W) and avoid threats (T). From <i>BAPPEDA</i> in collaborating to implement CSR is the lack of performance management while <i>BRI</i> lacks coordination from the head office to the smallest unit which causes ineffective collaboration with the appointed company. While the threat is <i>BAPPEDA</i> has provided a pattern in the form of sending a collaboration letter but from <i>BRI</i> there was no response back so that <i>BAPPEDA</i> tried to precede the companies in the forum. <i>BRI</i> lacks coordination from the head office with the smallest unit appointed to collaborate with the company but it is ineffective and that is a threat to <i>BRI</i> .

Source: Secondary data processed by researchers in 2024.

Comparing Companies that Implement CSR and those that do not Implement CSR

This theory can be used to evaluate how CSR implementation helps companies gain legitimacy and manage their public image compared to companies that do not implement CSR in the environment where the company operates. Social contract is a form of explanation regarding a number of community expectations regarding how an organization carries out its operations. Companies are required to be responsive to changes in the environment in which they operate, along with dynamic social expectations, which can change according to developments over time. Guthrie and Parker (1989) stated that, if a company feels its legitimacy is being questioned, then several coping strategies can be carried out, namely: The Company needs to try and inform stakeholders about changes in the company and the company can try to replace and influence external party expectations about the company's performance.

D. CONCLUSION AND SUGGESTIONS

BRI's CSR Strategy in Improving Relations with *BAPPEDA* Malang Regency in terms of *BAPPEDA* and *BRI* there is no relationship in implementing CSR programs but only limited to reporting. Therefore *BRI* and *BAPPEDA* need to maximize performance management so that they can collaborate in the Corporate Social Responsibility (CSR) program that is carried out.

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