THE INFLUENCE OF CORPORATE SOCIAL RESPONSIBILITY GOAL, CORPORATE SOCIAL ISSUE, AND CORPORATE RELATION PROGRAM OF PT. SEMEN GRESIK TO SOCIAL WELFARE

BY:
AMIRUL AFFAN ROSYIDI
NIM. 115020305121001

MINOR THESIS
Submitted as One of Requirements to Achieve Bachelor Degree of Faculty of Economics and Business Accounting Program University of Brawijaya Malang

INTERNATIONAL UNDERGRADUATE PROGRAM IN ACCOUNTING
FACULTY OF ECONOMICS AND BUSINESS
BRAWIJAYA UNIVERSITY
MALANG
2015
ABSTRACT

THE INFLUENCE OF CORPORATE SOCIAL RESPONSIBILITY GOAL, CORPORATE SOCIAL ISSUE, AND CORPORATE RELATION PROGRAM OF PT. SEMEN GRESIK TO SOCIAL WELFARE

Created by: Amirul Affan R
Lecture: Dr. Erwin Saraswati, CPMA, CSRA

Nowadays, companies are increasingly developed, which is at the same time increasing the social gap and the surrounding environmental damage. Therefore, it is urgent to increase the awareness to reduce these negative impacts through Corporate Social Responsibility of the related companies.

The objective of this study is to determine the effect of variables corporate social responsibility to social welfare around Gresik by analyzing the influence of CSR variables consisting of items: CSR goals, corporate social issues, and corporate programs related to community well-being in Gresik. The sample of the study is selected using purposive sampling technique with 59 respondents who receive assistance from PT Semen Gresik CSR. To collect the data, survey methods is used in the form of explanatory research. The primary research data is questionnaires, while the secondary data are related literature, internet sources, and interviews. The collected then is sort and analyzed using a Likert scale, while test the validity and reliability is conducted using statistical crosstabs by SPSS 16.0 software.

Based on multiple linear regression analysis the results using the t test, it can be concluded that the corporate variables related programs partially affect the social live welfare. While, based on the results of the standardized Beta Coefficients respectively, it is revealed that corporate variables related programs pose dominant influence on the welfare of the community Gresik. So, the result is from Variabel CSR (Corporate Social Responsibility Goal, Corporate Social Issue, Corporate Related Program) does not have significance effect to social live welfare around PT Semen Gresik.

Keywords: CSR goals, Corporate Social Issue, Corporate Relation Program, Social Welfare
1. INTRODUCTION

In the globalization era, many companies are becoming more growth, and in the same time, the social gap and the surrounding environmental damage will occur. Therefore, the awareness to reduce this negative impact starts to emerge. Many private companies are now developing Corporate Social Responsibility (CSR) (Erni, 2007). Suharto (2008) declared that a positive relationship between Corporate Social Responsibility with financial performance existed, although the impact is slow. Implementation of CSR is no longer regarded as a cost, but nowadays it is regarded as a company's investment.

Corporate social responsibility shows the concern of the company for the interests of other parties, which is wider than just corporate interests are. Corporate Social Responsibility refers to the relationship between a company with all stakeholders, including the customers, employees, communities, investors, governments, suppliers and even competitors. The company’s development of social programs could be in physical help, health services, community development, outreach, scholarships, and others. (Erni, 2007).

In developing countries, especially in Indonesia, one of the important goals of CSR is to increase the quality of education and social welfare. Therefore, the implementation of CSR in Indonesia directed to improving the economy of people based on small and medium enterprises as well as improving the quality of public resources through improved educational facilities.

Corporate social responsibility has been judicially declared as in Law No.40 In 2007, the Company, Chapter V, Article 74. In the article explained that social and environmental responsibility of companies on its presence in the business activities. Today, facing the impact of globalization, advances in information technology, and market transparency, companies should seriously pay attention to CSR on the factors above.

Company that become object of research is PT Semen Gresik. PT. Semen Gresik is the company that focuses on cement industries. This company had been established in August 7th 1957 by President, Mr. Soekarno himself with capacity over 250,000 ton of cement per year. This company is located in two cities in east
Java, in Gresik and Tuban. PT. Semen Gresik had a missions to maintain the environment, with help to improve the quality of life, and Developing patterns of development of small medium enterprises, either related or not related to the business of Semen Gresik Group through the distribution of funds and sustainable development, with the focused in aspects of equality, independence, and professional ethics. So, One of some ways is by producing a "corporate environmental report" in which it can help society preserve the environment and increase the company’s economics performance as well (Sukoharsono, 2007).

2. LITERATURE REVIEW

2.1 Corporate Social Responsibility

The practice of CSR can be identified in a variety of purposes, namely legal, economic, moral, and philanthropy. However, these goals can be developed in accordance with the actual conditions in the community related to the pressure that occur in people's lives (Kim, 2000).

According to Baron (2001) argued that Corporate social responsibility is an ill and incompletely defined concept. Based on the broad definition proposed by the World Business Council for Sustainable Development (WBCSD 2004), CSR is the commitment of a business to contribute to sustainable economic development, working with employees, their families, the local community and society to improve their quality of life.

Wibisono (2007:6) declared that definition of Corporate Social Responsibility was the responsibility company to stakeholders to behave ethically, minimize negative impacts and maximize the positive impact that covers aspects of economic, social, and environmental goals of sustainable development.

2.1.1 Corporate Social Responsibility Goal

According to Susanto (2007:26) the company can make the corporate social responsibility, the goal of company is focusing on three, profit (intangible), environent, and society. The increasing of those three is an activity that company have to do simultaneously according to condition of society. With respect to the goals of CSR, a company faces two primary assessment challenges. First, measuring CSR over time. Given that CSR outcomes can be realized over
different times, a company faces the challenge of choosing CSR metrics adequate to assess both short term and longer-term effects (Shank et al. 2005). Further, measuring the utility of CSR for stakeholders. Given the range of stakeholders and their different interests, a company faces the challenge of choosing CSR metrics adequate to assess multiple types of utility as well as the challenge of adopting a method of calculus for combining these resulting assessments in a balanced way (Carol, 1999).

2.1.2 Corporate Social Issue

Social issues will continue to evolving dynamically that occur in social life. Social issues are evolving as a manifestation of a change in the outlook of life that must be addressed by the company. The inability of the company to capture the growing social issues in the community will have an impact on the clashes that occurred in the community of social life. Moreover, in an atmosphere of economic crisis the world is happen, the issue of labor, government and corporate communications, social welfare, and even the relationship between the workers in the company itself will be able to be distracted from the upsurge of social issues in the community.

In this case, according to Budimanta et al. (2008:14) the impact of globalization is happening not only has an economic dimension itself but also has a political dimension, technology, and culture. This perspective will also affect the way people think about their business strategy. The company is no longer seen as the outside of community but also a part of the community.

2.1.3 Corporate Relation Program

CSR program is the realization and actualization of the efforts of company to be close to the people. According to Budimanta et al. (2008:24), CSR is an important element in the sustainability framework that includes economic, social and cultural environment is an important process in the management of costs and business benefits with stakeholders both internally and externally.

2.2 Social Welfare

Social Welfare is one of the approaches that should be the main principle for all units of government and corporate parties in carrying out its duties and
functions in providing social services (Ambadar, 2008). Social Welfare according Giarci (2001) declare that community development as a matter of having the center of attention in helping the community in a variety of age groups to grow and develop through a variety of facilitation and support to enable them to Decide, plan and take action to manage and develop Reviews their physical environment and social welfare.

2.3 Theoretical Framework

2.3.1 Theory of Stakeholders

Theory of Stakeholders explains that the company is not the only entity that operates for its own sake, but provides benefits to stakeholders (Chariri, 2007:409). In the presence of the preferred companies are stakeholders. There area number of stakeholders in the community; with the disclosure of CSR is the way to manage the relationship of organization with the different stakeholder groups. The main objective of the company is to balance the conflict between stakeholders.

2.3.2 Theory of Legitimacy

Theory of legitimacy explains the company conducting business with the limits prescribed by the norms, social values, and reactions to these restrictions that encourage the importance of organizational behavior with care for the environment (Chariri, 2007: 411). Gray et al. (1994) argued that legitimacy theory and stakeholder theory was a perspective theory that was within the framework of the theory of political economy.

Theory of legitimacy focuses on the interaction between the company and the community. Dowling and Pfeffer (1975) declare that Organizational legitimacy can be constructed or enhanced through the use of symbols or symbolic action communicating a “public image”.

2.4 Hypothesis Development

2.4.1 Corporate Social Responsibility Goals with Social welfare

According to Gray, Kouhy and Adam (1994:35) declare that the company can survive based on the support of the stakeholders, so that activity of the company is looking for that support.
The way companies in gaining support is doing CSR program. CSR program has been directed at achieving social objectives the company that has been revealed in the vision and mission of the company in CSR. Those purposes are the destination in the responsibility of education, economic, moral, philanthropy, and purpose in legal liability.

H1: Corporate Social Responsibility Goal would affect the social welfare around PT Semen Gresik.

2.4.2 Corporate Social Issue with Social welfare

In social life, social issues will continue to evolve with the dynamics that will occur. Social issues are evolving as a manifestation of a change in world view society that must be overcome by the company.

Based on the feedback given community, the company must make appropriate changes to the company and provide an indication of whether company activities in accordance with the values and norms that exist in society.

H2: Corporate Social issues would affect the social welfare around PT Semen Gresik.

2.4.2 Corporate Social Program and Social welfare

Implementation of CSR programs is the actualization and realization of efforts of company of to keep related with the society. CSR programs are held regularly, scheduled, and structured to be expected to give a positive response and the company gained recognition that the company has a social value that contribute positively to the community and stakeholders.

H3: Corporate relation programs would affect the Social welfare around PT Semen Gresik

3. RESEARCH METHOD

3.1 Method of Research

This type of research used in this research is an explanatory research or research explanation. Explanatory research is to test a hypothesis between the dependent variables and independent variables. Explanatory research itself is a study that describes the relationship between two variables in which one variable to another variable influence (Cooper and Schindler, 2008).
3.2 Object of Research

The study was conducted in PT. Semen Gresik is located at Jalan Veteran Km. 1 Gresik and in area around PT. Semen Gresik, in the range 1 (Singosari, Sidomukti, Sidomoro, Sidomukti, Kawisanyar, Gending, Suramadu, Gulomantung) Gresik.

3.3 Population and Sample

The population in this study was community in Range 1 (Singosari, Sidomukti, Sidomoro, Sidomukti, Kawisanyar, Gending, Suramadu, and Gulomantung), Gresik and employees of PT. Semen Gresik. In this study, researchers set a quota sample of 60 respondents.

The sampling method is done by using the method purposive sampling, the method of determining the appropriate sample with defined characteristics (Suharyadi and Purwanto, 2004). The criteria set for the sample are:

- People who have lived in the location of research and old employees work a minimum of 3 years. This criterion is taken as an issue of research is about the social welfare, means must be sustainable in order to can be assessed the level of satisfaction of each year whether up or inclined decreases.
- Society and employees with adulthood (productive) so excuse expressed be more reasonable.

3.4 Type and Source of Data

The source of the data is anything that provide information about the data. Based on the data source is divided into two, the primary data and secondary data.

Data is primary data obtained directly from the source data has been collected specifically and directly related to the problems studied, secondary data is primary data that has been processed into forms such as tables, graphs, diagrams, drawings and others.
3.5 Data Collection Methods

This research was conducted at PT. Semen Gresik. In accordance with company procedures, researchers are required to follow the research internship. Internship research firm conducted in accordance working. Researchers placed on the Community Development unit directly related to CSR according to the research problem.

Data were collected using questionnaires completed or answered by respondents. The questionnaire used was adopted from previous research, from research of Mapisangka (2009) in Batam. The questionnaire consisted of two parts, the first part contains data with the respondent and the second part contains questions relating to the implementation of CSR PT. Semen Gresik to create Social welfare. Questionnaires were administered directly to the respondent with a payback period of two Questionnaires were gave directly to the respondent with a payback period of 2 until 3 days after the questionnaires distributed.

3.6 Variable Research

3.6.1 Dependent Variable
Dependent Variable (Y) in this study is the social welfare. Welfare society is the increase in live of society. Scale of measurement of variable social welfare is a Likert scale used to measure attitudes, opinions, and perceptions of a person or a group of social phenomenon (Sugiono, 2004: 74).

3.6.2 Independent Variable
a. CSR Goal
Corporate Social Responsibility is the goal of the company Goal CSR programs to enhance corporate image and improve the lives of the people or society in accordance with the vision and mission of the company. The scale of measurement of variable of Corporate Social Responsibility Goal is a Likert scale used to measure attitudes, opinions, and perceptions of a person or a group of social phenomenon (Sugiono, 2004:74).

b. Corporate Social Issue
Corporate Social Issues is a issues of company related to the surrounding environment (social responsibility) that affects both the company and the
community. Social issues will continue to evolve with the changing times as the form of a change in the way people should be in response to the company. Measurement scale variable is Corporate Social Issues Likert scale used to measure attitudes, opinions, and perceptions of a person or a group of social phenomenon (Sugiono, 2004: 74).

c. Corporate Relation Program

Corporate Relations Program is the form of realization and actualization of the efforts of the company to keep close to the people. CSR program is a response to the real needs of the society for the fulfilling of life. The scale of measurement variables Corporate Relations Program is a Likert scale used to measure attitudes, opinions, and perceptions of a person or a group of social phenomenon (Sugiono, 2004: 74).

3.6 Analysis Method

3.6.1 Cronbach’s Alpha

Cronbach’s alpha is reliability coefficient that indicates how well the items in a set are positively correlated to one another. Cronbach’s alpha is computed in terms of the average multicollinearity among the items measuring concept (Sekaran, 2009).

3.6.2 Descriptive Statistics

Descriptive statistics were used to summarize the data is obtained which can be seen through the average (mean), standard deviation, variance, maximum, minimum, sum, range, kurtosis and skewness (Ghozali, 2006).

3.6.3 Classical Assumption Test

Classic assumption test was conducted to determine the feasibility of a model regression. Before performing regression analysis performed classical assumption first. In this study, the classical assumption used includes Multicollinearity test, Heteroscedasticity test, and normality test.

1. Multicollinearity Test

Multicollinearity test aims to determine whether the models regression, independent variables are correlated. Good regression model
should not show correlation between independent variables. To test whether or not multicollinearity, it can be done by looking at the value of tolerance and variance inflation factor (VIF). Limit to tolerance value is 0.10 and VIF limit is 10. If the value is less than 0.10 tolerance and VIF is greater than 10, then there is multicollinearity (Ghozali, 2006).

2. Heteroscedasticity Test

Heteroscedasticity test aims to determine whether the models regression occurred inequality variance of residuals one observer to other observers (Ghozali, 2006).

3. Normality Test

Normality test aims to test whether the regression model, the variables residuals have a normal distribution. Good regression model is data normal or near-normal distribution. To determine whether the data normal distribution or not, this study used two ways: analysis graphs and statistical analysis with the Kolmogorov-Smirnov (KS) (Ghozali, 2006).

3.6.4 Multiple Regression Analysis

Multiple linear regression analysis was used to test the effect of two or more independent variables on the dependent variable. The independent variable in this study is the Goal Social Responsibility, Corporate Social Issues and Corporate Responsibility Program. The dependent variable is the welfare of the community. This analysis method uses SPSS (Statistics Product and Service Solutions).

\[ Y = a + b_1X_1 + b_2X_2 + b_3X_3 + \epsilon \]

Where:

- \( Y \) = Variable of Social welfare
- \( a \) = Constant
- \( b_1, b_2, b_3 \) = Regression coefficient
- \( X_i \) = Variable of Social Responsibility Goal
X2 = Variable of Corporate Social Issue
X3 = Variable of Corporate Responsibility Program
e = Standard of Error

This study has several testing, such as:

1). Significant Test of Individual Parameters (Test Statistic)

According Ghozali (2006) a significant test of the individual parameters used to show how much influence the independent variables individual in explaining the dependent variable. The null hypothesis (Ho) which to be tested is whether a parameter (bi) is equal to zero, or:

\[ H_0 : b_i = 0 \]

From the equation above, the individual independent variables had no significant effect on the dependent variable. Alternative hypothesis parameter of a variable is not equal to zero, or:

\[ H_A : b_i \neq 0 \]

From the equation above, the independent variables have a significant effect on the dependent variable. The criteria of decision-making are:

- Ho is accepted if \( t_{\text{count}} < t_{\text{table on } \alpha = 5\%} \).
- Ho is rejected if \( t_{\text{count}} > t_{\text{table on } \alpha = 5\%} \).

4. RESULT AND DISCUSSION

4.1 Research Object description

PT. Semen Gresik (Persero) Tbk is a State-Owned Enterprises (SOE) consisting cement factory unit I, unit II, unit III, and unit IV. Cement Plant Gresik unit I and II are located in the district Kebomas, Sidomoro, Gresik with an area of 150,000m², located in the area of 750 ha. Cement factory Gresik unit III is located in the village of Sumber Arum subdistrict of Tuban, East Java with a building area of 400,000 m², located in an area of 1,500 ha.

Tight competition among cement companies enhances the motivation to PT. Semen Gresik (Persero) Tbk. to give more services to their customers. Competition does not only occur between domestic products, but also with foreign products in accordance with the basic principles of marketing with based
customer oriented on where the customer in this case is the user cement. Therefore, PT Semen Gresik (Persero) Tbk. cooperates with PT Semen Padang and Semen Tonasa to become Semen Gresik Group (SGG). Each company is trying to create a new product that is expected to accommodate and the customers need.

4.2 Overview on the Characteristics of Respondents

The questionnaire were spread of 60 respondents with each division were 45 external respondents to the respondents as many as 20 respondents internal companies. Giving questionnaire was conducted on February 1, 2015 until February 16, 2015. However, two internal and one external questionnaire were incomplete because it does not populate the list of identities. So it is not known whether the respondent in accordance with the criteria. Therefore, the number of responses to questionnaires that deserves to be analyzed is as much as 59 questionnaires.

a. Gender of Respondents

Table 4.1

<table>
<thead>
<tr>
<th>Characteristics Respondents by Gender</th>
<th>TOTAL</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>47</td>
<td>79.7%</td>
</tr>
<tr>
<td>Female</td>
<td>12</td>
<td>20.3%</td>
</tr>
<tr>
<td></td>
<td>59</td>
<td>100%</td>
</tr>
</tbody>
</table>

b. Characteristics of Respondents by Age

Table 4.2

<table>
<thead>
<tr>
<th>Characteristics of Respondents by Age</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age Group</td>
<td>Frequency</td>
<td>Percentage</td>
</tr>
<tr>
<td>-----------</td>
<td>-----------</td>
<td>------------</td>
</tr>
<tr>
<td>&lt; 30 Years of Age</td>
<td>7</td>
<td>12%</td>
</tr>
<tr>
<td>31 – 40 Years of Age</td>
<td>17</td>
<td>29%</td>
</tr>
<tr>
<td>41 – 50 Years of Age</td>
<td>10</td>
<td>17%</td>
</tr>
<tr>
<td>51 – 60 Years of Age</td>
<td>23</td>
<td>39%</td>
</tr>
<tr>
<td>&gt;60 Years of Age</td>
<td>2</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>59</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

### c. Characteristics of Respondents by Revenue per Month

**Table 4.3**

**Characteristics of Respondents by Revenue Per Month**

<table>
<thead>
<tr>
<th>Revenue Range</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; Rp.1000.000,00</td>
<td>1</td>
<td>2%</td>
</tr>
<tr>
<td>Rp.1000.000,00 - Rp.2000.000,00</td>
<td>13</td>
<td>20%</td>
</tr>
<tr>
<td>Rp.2000.000,00 - Rp.3000.000,00</td>
<td>26</td>
<td>44%</td>
</tr>
<tr>
<td>Rp.3000.000,00 - Rp.4000.000,00</td>
<td>19</td>
<td>32%</td>
</tr>
<tr>
<td>Rp.4000.000,00 - Rp.5000.000,00</td>
<td>1</td>
<td>2%</td>
</tr>
<tr>
<td>&gt; Rp.5000.000,00</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>59</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

### 4.3 Cronbach’s Alpha

Reliability is an index that is used to indicate how well a measure trustworthy or reliable. Reliability test used was Cronbach’s Alpha test. The instrument has been reliably inferred (reliable) if it has a coefficient of reliability index of 0.6 or more. If alpha is less than 0.6 then declared unreliable and reliable otherwise stated.

**Table 4.4**

**Reliability Test Result**
4.4 Classical Assumption Test

In the table, each independent variable such as corporate social responsibility goal has a VIF value 2,551. Corporate social issue has a VIF value 2,034, and corporate related program has a VIF value 4,092. From all the VIF value of three variable showed are not more than the value of 10, it was concluded that no symptoms of multicollinearity in the data.

**Multicollinearity Assumption**

<table>
<thead>
<tr>
<th>Variable</th>
<th>VIF</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Social Responsibility Goal</td>
<td>2,551</td>
<td>Non Multikolinier</td>
</tr>
<tr>
<td>Corporate Social Issue</td>
<td>2,034</td>
<td>Non Multikolinier</td>
</tr>
<tr>
<td>Corporate Related Program</td>
<td>4,092</td>
<td>Non Multikolinier</td>
</tr>
</tbody>
</table>

4.5 Heteroscedasticity Test

Based on the results of the scatterplot in Figure 4.1, scattered dots either
above or below the number 0 on the Y-axis, and there is no clear pattern. Thus concluded does not happen so there is Heteroscedasticity on the data.

4.6 Normality Test

Based on the Kolmogorov-Smirnov test, obtained a significance of 0.771, where the value is greater than $\alpha=0.05$. Therefore, the significance value greater than $\alpha=0.05$ it was decided to accept H0 and conclude that the data are normally distributed, is the assumption of normality has been fulfilled.

**Normality Assumption Test**

<table>
<thead>
<tr>
<th>Statistical Test</th>
<th>Value</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kolmogorov-Smirnov Z</td>
<td>0.664</td>
<td>Normally spread</td>
</tr>
<tr>
<td>Significance</td>
<td>0.771</td>
<td></td>
</tr>
</tbody>
</table>

4.7 Multiple Regression Analysis

The processing of data using multiple linear regression analysis, carried out several steps to find the relationship between the independent and dependent variables. Based on the results of data processing by using SPSS software version 16.0 for Windows release obtained summary as in the table below:

**Summary of Multiple Linear Regression Analysis**

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Independent Variable</th>
<th>Coefficient</th>
<th>$T_{count}$</th>
<th>Significance</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social welfare</td>
<td>Constant</td>
<td>9.137</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Corporate Social Responsibility Goal</td>
<td>0.118</td>
<td>1.022</td>
<td>0.312</td>
<td>Not Significance</td>
</tr>
<tr>
<td></td>
<td>Corporate Social Issue</td>
<td>-0.091</td>
<td>-0.890</td>
<td>0.378</td>
<td>Not Significance</td>
</tr>
<tr>
<td></td>
<td>Corporate Related Program</td>
<td>0.300</td>
<td>3.780</td>
<td>0.000</td>
<td>Significance</td>
</tr>
</tbody>
</table>

From Table 4.12, obtained regression model of Corporate Social Responsibility relationship Goal, Corporate Social Issue, to the Social welfare, As
follows:

\[ Y = 9.137 + 0.118X_1 - 0.091X_2 + 0.300X_3 \]

4.8 Interpretation of Results of Hypothesis Testing

4.8.1 Influence of Corporate Social Responsibility Goal towards Social welfare

The results of data analysis showed that Corporate Social Responsibility Goal of PT. Semen Gresik does not give effect to the social welfare living around the company. This indicates that the purpose of CSR is not able to improve the welfare of society. These results differ from the results Mapisangka (2009) which states that the Corporate Social Responsibility Goal affects the social welfare.

The absence of the influence of Corporate Social Responsibility Goals against welfare society in because according to the World Bank (1998), the public can say prosper if they are above the poverty line to have their own income that meet the needs of everyday life. Start of clothing, food, shelter and education. With an income of approximately Rp. 2,000,000 until Rp. 3,000,000, people are able to live independently without depending on the help of any party. Most of the receivers of Corporate Social Responsibility small and medium enterprise in range one have small enterprises such as small shops, homemade industries, and others. However, the outside of Range one, there are so many small medium business enterprises which are very useful by Corporate social responsibility.

4.8.2 Influence of Corporate Social Issue towards Social welfare

Social issues that develop in society as part of a change in the way people should be immediately addressed by the company. If the company is not able to capture the growing social issues in the community will have an impact on companies in the social environment. Because the company is no longer seen as the outside of the community, but has become part of the community itself (Budimanta et al, 2008)

The analysis of data showed that Corporate Social Issues PT. Semen Gresik is not able to improve the social welfare. This result is not same with the theory above. Due to the preparation of the CSR program, lack of response of the
company pay attention to social issues that are being developed in accordance with the values in the society. Another thing that this happen because according from questionnaires, the lack of education of CSR target.

The principle on which the implementation of CSR is the sustainability of any social and economic programs that grow social capital to achieve an independent society. Also, the principle of social development is both the preparation of infrastructure facilities and infrastructure as well as support activities. Based on the results of this study are not the same as Mapisangka study (2009) that the Corporate Social Issues affecting the social welfare, it can be concluded that the public about PT Semen Gresik cannot overcome social problems in the community around PT Semen Gresik because people wants to other aspects will be grow better, like Environmental, education, and others.

4.8.3 Influence of Corporate Relation Program towards Social welfare

The analysis of data showed that Corporate Social Programs PT. Semen Gresik affect the social welfare around PT Semen Gresik. This can be explained due to the strategy of implementation of the Corporate Social Responsibility from company do. According to the view point shows that what has been done by PT. Semen Gresik has described the success in the implementation of CSR. It is seen that various CSR programs have been implemented and continuous. Education, economic business community facilities, environmental quality and health, and social activities, culture and religion is a company's CSR programs that have a positive impact on society. So with the Program Corporate Social Responsibility of company can be recognized with benefits not only for the company but also to the community. The most successful program of Corporate Social Responsibility Program of PT Semen Gresik is Development program partners. This program help the people around PT Semen Gresik to create entrepreneurship program with helps of fund in certain nominal and the payments are cheap and easy. The results of this study are similar to Mapisangka research (2013).

This result also being supported the theory from Snider, Ronald & Martin (2003) said that First, the reason for arguing in favor of Corporate Social Responsibility is that business organizations exist in order to provide valuable services to society. Balance between shareholders and social value has been
discussed quite frequently within the framework of Corporate Social Responsibility, which addresses the relationship between business and the larger society.

5. CONCLUSION, SUGGESTION AND LIMITATION

Based on the research results, it can be concluded as follows:

1. Corporate Social Responsibility Goal of PT. Semen Gresik does not have significant effect to the social welfare living around the company. This indicates that CSR programs fail to improve the social welfare, because most of them already have enough income.

2. Corporate Social Issue of PT. Semen Gresik does not have significant effect the social welfare living around the company. This indicates the lack of response of the company to social issues in the society. Most reliable cause of this phenomena is that because of, according from questionnaires, the lack of education of CSR target.

3. The data analysis revealed that Corporate Social Programs PT. Semen Gresik partially affect the social welfare surrounding community. This is as indicated on the implementation of the Corporate Social Responsibility in partner’s development program.

5.2 Suggestion and Limitations
Based on the conclusions of the research results, there are some suggestions proposed as follows:

1. For Company (PT Semen Gresik)
   - PT Semen Gresik is expected to implement Corporate Social Responsibility CSR program in wider and larger target. The implementation of CSR award should also be made to appreciate the CSR targets, especially partnership program.
   - PT Semen Gresik is expected to able to perform evaluation, monitoring, and review on CSR programs and targets to evaluate its performance and achievements.
   - PT Semen Gresik is expected to provide clear information to the CSR program. If the Company does not provide information, people will not know about the other CSR programs.

2. For Future Research
   - The next researcher is expected to create explore wider area of CSR target such as Tuban City and the small district surround Gresik as this research only takes sample from the area in Gresik.
   - The next researcher will adding another variable, beside variable of CSR.

3. Limitation of the research is the difficulty to meet people who receive CSR program, especially the Development Program. Many of them are also reluctant to fill the questionaries.

REFERENCES


Sukoharso, EG 2007, ‘Green Accounting in Indonesia: Accountability and Environmental Issue’, *The International Journal of Accounting and...*


