

## **CHAPTER IV FINDING AND ANALYSIS**

This research data is obtained from the company that has been implementing CSR in the Special Region of Yogyakarta where the research took place in PT Mowilex Cat of Yogyakarta Branch and Bank BPD Syariah DIY. the CSR implementation of each company, as follows:

### **A. Corporate Social Responsibility (CSR) Implementation of PT. Mowilex**

PT. Mowilex was founded in 1970; PT Mowilex manufactures premium paint products in Indonesia. Its products have been used in various offices, hotels, apartments, and housing, and are well known for being easy to use and of high quality. PT Mowilex Indonesia has been awarded as the First Winner of the Word of Mouth Marketing Award - Decorative Paint Category 2009, 2011 and 2013 and became The First Champion Indonesia Original Brand 2014.

There are several CSR program objects in general aspects/issues that are currently quite interesting as a field of CSR activities. Among these are environmental issues (river and air pollution, deforestation, conservation); education issues (free education, improvement of educational facilities and infrastructure). A company to continue to grow and develop and maintain its existence is not only seen from its financial condition but also companies must pay attention to the social and environmental dimensions.

PT. Mowilex strongly supports various social and environmental responsibility programs to improve the living conditions in the lives and

workplace of the employees. Various CSR programs that have been done by PT. Mowilex such as:

1. Re-painting the YAKKUM Rehabilitation Center Building

PT Mowilex Indonesia once again held a social responsibility program to the community or Corporate Social Responsibility (CSR) this year. After revitalizing the Child-Friendly Integrated Public Space or in hereafter *Ruang Publik Terintegrasi Ramah Anak (RPTRA)* a few months ago, Mowilex was encouraged to support equality and diversity of the disabled by revitalizing disability institutions. The painting is done directly by the employees of PT. Mowilex Yogyakarta branch.

PT. Mowelix Cat also participated by giving contributions in the form of energy by their employees, by painting to involve 17 employees of Yogyakarta Branch.<sup>1</sup> PT Mowilex Yogyakarta branch continues to support equality and diversity in society especially towards people with disabilities.

2. Education

PT Mowilex Yogyakarta branch provides education and skills training to students at the YAKKUM Rehabilitation Center which is tailored to the needs of students. PT Mowilex Yogyakarta branch contributed to educational materials especially in the environment around the factory through the Community Learning Center. Besides, PT. Mowilex Yogyakarta branch also provides scholarships to the community

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<sup>1</sup> Based on Interview, Krisma Adhi as a Branch Manager of PT Mowilex Regional of Yogyakarta, Monday, on November 11<sup>st</sup>, 2019

and other educational programs aimed at creating quality future leaders and directing all resources to educate students who come from underprivileged families but have the potential to become future leaders.

### 3. Environmental Conservation

Paint materials that contain carbon when used will pollute the air. Air pollution is one or more physical, chemical, or biological substances in the atmosphere in quantities that can endanger human, animal and plant health, interfere with aesthetics and comfort, or damage property. Or in other words, it can be interpreted as damage to the air because it is caused by various sources that can damage the health of living beings and inanimate objects.

The effects of air pollution can also be felt at this time, the number of diseases that originate from the air, and increase the number of people with respiratory infections and also the increasing number of people who prematurely become negative effects of air pollution. Air that is not good can be one of the effects of air pollution and make our earth as a place to find wealth without thinking about the impact of what has happened to the earth and the environment that has been made by irresponsible humans.

Seeing the negative impact caused by air pollution due to the smell of paint, then PT. Mowilex Yogyakarta branch cares about the environment by conducting a CRS program in the form of environmental conservation by neutralizing carbon from air wastes. PT Mowilex

Yogyakarta branch has its own tool that can neutralize carbon, so it does not pollute the air.

#### 4. Carbon Neutral Campaign

PT. Mowilex Yogyakarta branch, besides conducting environmental conservation in the form of neutralizing the impact of carbon and chemicals, also carried out a CRS program in the form of a Carbon Neutral campaign. This activity is carried out by providing information to the public that the products produced by PT Mowilex, the carbon content can be neutralized with tools owned by PT. Mowilex. PT. Mowilex Yogyakarta branch continues to conduct socialization and campaign on the community both the negative impacts and their handling.

#### 5. Construction of the Meeting Hall

PT Mowilex Yogyakarta branch in the field of the community has a CRS program in the form of meeting building construction. The meeting hall was built for the activities of the surrounding community with the village treasury land. With the meeting building that was built by PT. Mowilex Yogyakarta branch, socialization was easily carried out and the marketing activities of PT. Mowilex Yogyakarta branch were also easy to do. The function of the meetinghouse can bring the company closer to the community.

In the principle of responsibility, significant emphasis is placed on the interests of the company's stakeholders. Companies are required to pay attention to the interests of corporate stakeholders, create added value from

products and services for corporate stakeholders, and maintain the sustainability of the added value it creates. While corporate stakeholders can be defined as those who have an interest in the company's existence. This includes employees, consumers, suppliers, the community, the environment, and the government as a legislator.

Analysis based on the provisions of the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016 on the Implementation of Corporate Social and Environmental Responsibility. From the CSR implementation of PT Mowilex Yogyakarta branch. The Article 1 Paragraph (1) "Corporate Social and Environmental Responsibility referred to as TSLP is the responsibility inherent in each company to keep creating harmonious, balanced, and appropriate relationships with the environment, values, norms, culture of the community, to participate in the implementation sustainable economic development to improve the quality of life and the environment that is beneficial, for the company itself, the local community and society in general".

According to the Article 1 Paragraph (1), PT. Mowilex of Yogyakarta branch has conducted CSR based on the article 1 paragraph (1) of the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016, by conducting social activities except for people with disabilities or children with disabilities by re-painting the Yogyakarta YAKKUM Rehabilitation Center. PT Mowilex of the Yogyakarta branch also carries

out the environmental conservation, education, and construction of building that benefit the surrounding environment.

In the Article 1 Paragraph (2), "Implementation of Corporate Social and Environmental Responsibility is the process of carrying out Corporate Social and Environmental Responsibility in synergy with the Local development programs".

Based on the Article 1 paragraph (2), the implementation of CSR in PT. Mowilex Yogyakarta Branch has not fully synergized with the Local development programs, because of the implementation of CSR of PT. Mowilex Yogyakarta Branch was not based on the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016, but company awareness. The results of the interview from Mr. Beni Dektus Tuggal, one of the employees of PT. Mowilex Yogyakarta Branch stated "we have not known the existence of local regulations so far, the company has not received information from t the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016, possibly because our company is only a branch, but from the company, it has carried out CSR on the initiative of the company according to the vision and the headquarters mission.<sup>2</sup>

Based on the results of the interview it can be concluded that there is still a lack of socialization from the local government regarding the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016, so there

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<sup>2</sup> Based on Interview, Beni Dektus Tuggal as an Employee of PT Mowilex Regional of Yogyakarta, Monday, on November 11<sup>st</sup>, 2019

are still companies that do not know about the regulation. There is still a need for detailed data collection from the Local Government regarding companies with Legal Entity to be included in the TSLP forum. Under the Article 1 Paragraph (3), "Corporate Social and Environmental Responsibility Forum, hereinafter referred to as TSLP Forum, is a corporate communication forum in the context of carrying out corporate social and environmental responsibility established by the Government of the Special Region of Yogyakarta as a forum for coordination, communication, and synchronization of the TSLP implementation".

PT. Mowilex Yogyakarta Branch as the legal entity has not been included in the TSLP forum under the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016, the Article 1 Paragraph (3) above. PT. Mowilex Yogyakarta Branch does not yet include the TSLP forum, which was caused by ignorance of the company in the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016. So the CSR program carried out was still not synchronous with the local government program. Based on the Article 1 Paragraph (4), the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016, "Companies are individuals or entities that run businesses which include limited liability companies, limited partnership companies, and other companies, the State-Owned Enterprises (BUMN), or the Regional-Owned Enterprises (BUMD) by name and in any form, firm, partnership, and *koperasi*".

PT. Mowilex Yogyakarta Branch included in the criteria in the Article the 1 Paragraph (4), it is mandatory to carry out CSR based on the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016. This is the biggest concern of the company's role in society, namely to increase the sensitivity and concern for the environment and problem ethics. Problems such as environmental destruction, improper treatment of employees, and production defects that cause inconvenience or danger to consumers are the headlines of the newspaper. Some investors and investment management companies have begun to pay attention to CSR policies from setting out letters to companies making their investment decisions, a practice known as "socially responsible investing."<sup>3</sup>

The company's CSR activities are not for profit, which is expected from CSR activities is to benefit the company's image. The company does not merely pursue profit but must also safeguard social and environmental aspects. CSR is not just a charity activity, where CSR requires a company in its decision making so that it seriously takes into account the impact on all stakeholders of the company, including the environment. This requires the company to strike a balance between the interests of various external stakeholders and the interests of shareholders, who are one of the internal stakeholders.

To facilitate relations between the Government and companies is regulated in the reflexive law theory. This theory is used to overcome the

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<sup>3</sup>Erni R. Ernawan, 2011, *Business Ethics-Etika Bisnis Edisi Revisi* Bandung: Alfabeta, p. 160.



deadlock over a formal approach to corporate obligations in the legal system. The formal law in question is a form of state intervention in regulating private matters through legislation, such as the Manpower Act, the Environmental Act, the Consumer Protection Act and so on. Rematerialization is a tendency in the field of law from formal rationality to substantive rationality or separation from the legal formality as a logical consequence of understanding the welfare state and the regulatory state.<sup>4</sup>

Based on the Reflexive Law Theory related to CSR, the meaning of social responsibility is oriented to the process related to the concept of corporate social responsibility. Social response refers to "the capacity of a corporation to respond to social pressures". So based on this theory the implementation of CSR PT. Mowilex Yogyakarta Branch based on the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016, but based on company initiatives. This is because the company responds to social pressures, due to the carbon impact of the products produced, it is necessary to carry out CSR programs, which are oriented to the relationship process with the concept of corporate social responsibility. When viewed from its implementation, CSR tends to be carried out under the concept of self-regulation. Even though the Reflexive Law Theory gives freedom to corporations in carrying out CSR programs, there must still be transparency in the company's financial statements. Under the Reflexive Law Theory, the report is also submitted to the general public in

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<sup>4</sup> Mukti Fajar, ND, 2013, *Tanggung Jawab Sosial Perusahaan di Indonesia, Op. Cit*, p. 29

the form of social reporting so that the public can make a more objective assessment of corporate CSR performance.<sup>5</sup>

Based on the Reflexive Law Theory, the implementation of CSR is left to the company, but the implementation must be transparent in the financial report. PT. Mowielex Yogyakarta Branch in implementing CSR programs is still limited to environmental programs around the company but has done transparency by providing accountability for financial reports on these activities. The Reflexive law is a procedural law and can be considered as self-regulation. The Reflexive law seeks to influence the decision making process and communication with required procedures. However, the final decision remains in the private sector. The aim is to encourage processes of self-reflection independence in companies regarding the impact of their actions on society.<sup>6</sup>

## **B. The Implementation of CSR programs of Bank BPD Syariah Cik Ditiro Yogyakarta**

On February 19<sup>th</sup>, of 2007, Bank BPD Yogyakarta opened a Sharia Business Unit and Sharia Branch Office, at Jalan Cik Ditiro No. 34, Yogyakarta, which was inaugurated by the Governor of Yogyakarta, Sri Sultan Hamengku Buwono X.

The opening of the business unit is based on the development of Islamic banking in Indonesia, especially in Yogyakarta. The results of the field research indicate that the level of awareness of the people of Yogyakarta

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<sup>5</sup> Mukti Fajar ND, dan Reni Budi Setyaningrum, 2017, *Op. Cit*, p. 199

<sup>6</sup> *Ibid*, p. 212

towards Islamic banking is very large, namely 97.8% and interest in Islamic banking products has reached 65.9%. This shows a good prospect for the development of Islamic banking in Yogyakarta.

This year, the plan is to add one sharia cash office. Opportunities to open office channeling as stipulated in PBI No 8/3/PBI/2006, open a space for Bank BPD DIY in making it easy for people in all districts in Yogyakarta to get products and services based on sharia principles in all conventional service offices.

The determination to open a business unit that serves transactions based on sharia principles for the people of Yogyakarta, in line with the vision of Bank BPD Yogyakarta, is to realize the fulfillment of community needs, especially in Yogyakarta, banking services and other financial services, especially small and medium scale credit, and encourage economic empowerment programs area.

Various banking products and services using sharia principles, including Mudharabah Silk Savings, Hajj Savings and Umrah Shafa Mudharabah and Shafa Wadiah, Mudharabah Deposits, and Wadiah Giro. As for financing, including financing vehicle ownership with the Murabahah contract, financing the ownership and renovation of the house with the Istishna contract, as well as productive financing with the Murabahah, Mudharabah, and Musyarakah contracts. Later, the Sharia Branch Office will service pawn transactions (Rahn). The opening of this Sharia Business Unit

and Sharia Branch Office is expected to benefit the community, in accordance with the corporate statement of Bank BPD DIY, **We Develop Together**.

In addition to tasks above, Bank BPD Syariah of Yogyakarta as the legal entity has CSR obligations. The CSR programs carried out by Bank BPD Syariah DIY such as:

1. Responsibility to the Society

To realize sustainable business growth and participate in improving the living standard of the people, PT Bank BPD Syariah of Yogyakarta is committed to carrying out CSR programs on social issues every year. The entire implementation of the CSR program activities has involved the community through a bottom-up and participatory mechanism. The responsibilities of Bank BPD Syariah of DIY in CSR programs towards the community are manifested in the form:

- a. Education

CSR programs in the form of the tuition fee of students are provided to underprivileged children. Bank BPD Syariah of DIY in collaboration with customers has provided scholarships to children who have academic achievements with low economic capability.

- b. Health

Bank BPD Syariah Yogyakarta once every month provides a health program in the form of a free medical check which is held at the office of Bank BPD Syariah of Yogyakarta.

c. Social Economy

Bank BPD Syariah Yogyakarta in its responsibility towards socio-economic, has done partnerships with UKM as the customers of Bank BPD Syariah of Yogyakarta to be given assistance and business assistance.

d. UKM Center

Bank BPD Syariah Yogyakarta also cooperates with UKM on campuses that have been collaborating partnerships with Bank BPD Syariah of Yogyakarta. Bank BPD Syariah Yogyakarta provides capital assistance to UKM.

2. Responsibilities to the employees and K3

To support the company's business sustainability amid quite massive business competition, Bank BPD Syariah of Yogyakarta always strives to develop the human resources into superior, integrated and professional quality. Besides, Bank BPD Syariah of Yogyakarta also continues to improve employee welfare and create safety and healthy environmental work to improve the performance motivation, loyalty to the safety and health of employees.

Consistently, Bank BPD Syariah of Yogyakarta seeks to produce strong, competent, professional and high-integrity human resources through a comprehensive competency-based of human resources management system policy, which refers to the Integrated Management System. Besides, to provide high motivation and motivation to improve

employee performance and loyalty, Bank BPD Syariah of Yogyakarta has a policy of equitable remuneration and career development under the quality and competence of employees without any element of ethnic, religious, racial discrimination, and gender. Bank BPD Syariah of Yogyakarta also continues to maintain harmonious and dynamic industrial relations between management and employees.

### 3. Responsibility of products and customers

Based on Bank BPD Syariah of Yogyakarta, customers have important meaning for the Company, which functions as a supporter of the Company's business sustainability in the future. Therefore, PT Bank BPD Yogyakarta is committed to carrying out its responsibilities to its customers by always providing the best products and services, to provide customer satisfaction and maintain customer trust and loyalty towards the company.

As a form of corporate responsibility to customers, Bank BPD Syariah of Yogyakarta has policies relating to the management of customer complaints, and Consumer Protection. Service, and Settlement of Consumer Complaints and Dispute Resolution.

### 4. Environmental responsibility

PT Bank BPD Syariah Yogyakarta has realized environmental sustainability with an indirect impact on the sustainability of the Company's business. Therefore, Bank BPD Syariah of Yogyakarta always strives to actively participate in carrying out various environmental

preservation programs. The policy implementation of this commitment is manifested in the form of various environmental preservation activities carried out on an ongoing basis as an effort of the Company's initiative to minimize the negative impact of operations on the environment. With the CSR targets that realize improving social functions, the achievement of strategic objectives has been achieved and has provided benefits.

Analysis based on the provisions of the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016 on the Implementation of Corporate Social and Environmental Responsibility of the implementation of corporate social responsibility / CSR Bank BPD Syariah DIY. The Article 1 Paragraph (1) "Corporate Social and Environmental Responsibility referred to as TSLP is the responsibility inherent in each company to keep creating harmonious, balanced, and appropriate relationships with the environment, values, norms, culture of the community, to participate in the implementation of sustainable economic development to improve the quality of life and the environment that is beneficial, for the company itself, the local community, and society in general".

Under the Article 1 Paragraph (1), Bank BPD Syariah of Yogyakarta has carried out CSR based on the Article 1 Paragraph (1) of the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016, by carrying out activities for the Responsibility to the Community (Social and

Development), Responsibilities for Employees and K3, Responsibilities for Products and Customers and Environmental Responsibility.

In the Article 1 Paragraph (2), "Implementation of Corporate Social and Environmental Responsibility is the process of carrying out Corporate Social and Environmental Responsibility in synergy with the Local development programs".

Based on the Article 1 Paragraph (2), the implementation of CSR in Bank BPD Syariah of Yogyakarta has not been fully synergized with regional development programs, this is because the CSR implementation of Bank BPD Syariah of Yogyakarta is not based on Local Regulation of Yogyakarta No. 6 of 2016, but the Government regulation No. 47 of 2012 concerning Social and Environmental Responsibility.

The results of the interview from Ms. Ike Retno, as Marketing Officer of Bank BPD Syariah of Yogyakarta, stated "if the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016 governing CSR we do not know yet, but we carry out CSR programs according to the head office based on the Government Regulation No. 47 of 2012 on Social and Environmental Responsibility.<sup>7</sup>

Based on the results of the interview it can be concluded that in the implementation of CSR programs, the Local Government is still lacking in socializing of the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016, to companies in the Yogyakarta region. The need for local

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<sup>7</sup> Based on Interview Ike Retno, as a Marketing Officer of Bank BPD Syariah Yogyakarta, Friday, on November 15<sup>th</sup>, 2019



governments to re-record existing companies, so that synergy with CSR activities, and also in line with the development of the Yogyakarta region.

Under the Article 1 Paragraph (3), "Corporate Social and Environmental Responsibility Forum, hereinafter referred to as TSLP Forum, is a corporate communication forum in the context of carrying out corporate social and environmental responsibility established by the Government of the Special Region of Yogyakarta as a forum for coordination, communication, and synchronization of the TSLP organization".

Bank BPD Syariah Yogyakarta as the legal entity has not been included in the TSLP forum. Based on the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016 with Article 1 Paragraph (3) above. The absence of Bank BPD Syariah of Yogyakarta in the TSLP forum, cause due to the ignorance from the part of Bank BPD Syariah Yogyakarta in the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016. So that the CSR program carried out is still not synchronous with local government programs. Under the article Article 1 Paragraph (4), the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016, "Companies are individuals or entities that run businesses which include limited liability companies, limited partnership companies, and other companies, State-Owned Enterprises (BUMN), or Regional-Owned Enterprises (BUMD) by name and in any form, firm, partnership, and *koperasi*". Bank BPD Syariah of Yogyakarta which is included in the

criteria in the Article 1 Paragraph (4), is required to carry out CSR under the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016.

Seeing from the scope of the implementation of the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016, it states "The scope of TSLP includes funding assistance for organizing social welfare programs, poverty alleviation, compensation for recovery and/or improvement of environmental functions and funding assistance for community-based quality improvement economic growth programs that are in harmony with the Local Government programs".

Based on the scope of the Bank BPD Syariah of Yogyakarta can apply for these programs but still has not coordinated with the authorities party so that the targets and synchronization are still lacking. Bank BPD Syariah of Yogyakarta in conducting CSR programs according to the Reflexive Law Theory. This the Legal Theory focuses on social processes in a "regulated autonomy" way: allowing private actors, such as corporations, to freely regulate themselves. On the other hand, the Reflexive Law intervenes in social processes by making reference procedures for corporate behavior.<sup>8</sup> Associated with CSR, the meaning of social responsibility is oriented to the process associated with the concept of corporate social responsibility. Social response refers to "the capacity of a corporation to respond to the social pressures".

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<sup>8</sup> Mukti Fajar, ND, 2013, *Tanggung Jawab Sosial Perusahaan di Indonesia*, *Op. Cit*, p.50

The purpose of the regulation based on the Reflexive Law Theory is not to get companies to comply, but to encourage proactive and responsive management of social problems. Social reports must be an obligation for all companies with a certain proportion. Good, for public and private companies to have a significant impact on stakeholders. However, the costs for CSR and making social reports may be too large for small companies. Legislator needs to consider the burden of costs on smaller companies, and they also need to consider the impact of the company on society. Social reports must be an annual requirement for all companies that meet the standard requirements.<sup>9</sup>

The social responsibility report or often referred to as Corporate Social Reporting is the process of communicating the social and environmental effects of the company's economic actions on certain groups in society and on society. So that the form of social responsibility that has been carried out by the company can be known by various interested parties, then it is disclosed in the company's annual report. Providing extensive information in the financial statements is a necessity due to the requests of various interested parties in the information.<sup>10</sup>

Based on the explanation of the theory above, the implementation of CSR in Bank BPD Syariah of Yogyakarta, the reference of implementation is the Government Regulation No. 47 of 2012 on Social and Environmental Responsibility. Social reports provide standards on how

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<sup>9</sup> Mukti Fajar, ND, 2013, *Tanggung Jawab Sosial Perusahaan di Indonesia*, *Op. Cit*, p. 122

<sup>10</sup> Mukti Fajar ND, dan Reni Budi Setyaningrum, 2017, *Op. Cit*, p. 199

well an organization revives existing values created together with stakeholders, in which the organization is also committed to applying for the organization itself. Social reports share a process of dialogue in which values are integrated into the organization. The social report also provides a broad overview of the organization's relationships with stakeholders and thus has the opportunity to develop and survive in the long term.<sup>11</sup>

Coordination between companies and the government in implementing CSR needs to be done so that the CSR program can be in line with the expectations of the Local government. But in reality, this is still considered to be lacking due to the lack of socialization of the Local Regulations to companies that have CSR obligations. Government intervention on companies has not yet been carried out maximally. Government intervention in economic activities need not be too strict. Let business interactions be left to the market law, as Adam Smith said that market performance will regulate every economic transaction to find a balance (market equilibrium) that has carried out by the invisible hand.<sup>12</sup>

CSR regulations at the local level, generally contain more guidance on what companies must do in fulfilling their CSR obligations. Provide the scope in line with the needs and requirements of each region. In the Special Region of Yogyakarta, CSR will focus on social, environment, health, education, *koperasi*, and micro businesses, and infrastructure. a

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<sup>11</sup>Mukti Fajar ND, 2015, "The Administration of Corporate Social Responsibility in the District Regulation in Indonesia", *Op. Cit*, p. 211

<sup>12</sup> Fadia Fitriyanti dan Mukti Fajar N.D, 2008, *Op. Cit*, p. 215

similar scope was given by the city and district which required companies to participate in partnerships with micro and cooperative businesses, direct assistance to the community, and capacity building. Most of the local regulations have required the companies to participate in improving the quality of life of communities through partnerships with micro-businesses and *koperasi*. This also encourages companies to conduct various training to increase the capacity of the community in entrepreneurship. Besides, the Local Regulations, generally stipulate that companies can provide direct assistance to the community in the form of scholarship grants, subsidies, social assistance, social services, and social protection.<sup>13</sup>

### **C. The CSR Programs Comparison of PT. Mowilex Cat Branch Yogyakarta and Bank BPD Syariah DIY**

Based on the data obtained by each company of PT. Mowilax Yogyakarta Branch and Bank BPD Syariah of Yogyakarta can be compared to the CSR programs carried out by each company:

1. In substance, the implementation of CSR that has been carried out together does not refer to the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016. The CSR program of PT. Mowilex based on its initiative according to the vision and mission of the central company. Where the Bank BPD Syariah of Yogyakarta is based on the Government Regulation No. 47 of 2012.

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<sup>13</sup> Mukti Fajar ND, 2019. "The Problems Of Corporate Social Responsibility Regulation In Indonesian Local Regulations", *Op. Cit*, p. 2

2. CSR Program of PT. Mowilex most of the targets are the environmental community surrounding the company and the disabled with a program of environmental painting and conversion by carbon neutralization that pollutes the air as a result of cat products that have produced. Whereas the target of Bank BPD Syariah of Yogyakarta is the customer. This is because each has characteristics of different types of businesses for PT Mowilex is manufacturing while Bank BPD Syariah is a service.
3. Each company has implemented a CSR program but it is still not synchronous with the programs as expected on the Local Regulation of the Special Region of Yogyakarta No. 6 of 2016.
4. PT. Mowilex Yogyakarta Branch does not yet have employment of CSR program, while Bank BPD Syariah in Yogyakarta already has an employment CSR program.