

# Government's Role in Improving Corporate Social Responsibility (CSR) Rehabilitation Home Unlivable (RTLH) Sinarmas in Military Region VII /Wirabuana Makassar in the Perspective of Governance

*by* Gita Susanti

---

FILE	IJSRP-P5055.PDF (111.83K)	WORD COUNT	6798
TIME SUBMITTED	03-AUG-2020 07:54AM (UTC+0700)	CHARACTER COUNT	36754
SUBMISSION ID	1365227579		

# Government's Role in Improving Corporate Social Responsibility (CSR) Rehabilitation Home Unlivable (RTLH) Sinarmas in Military Region VII /Wirabuana Makassar in the Perspective of Governance

Deni Iskandar \*, Haselman \*\*, Hasniati\*\*, Gita Susanti \*\*

\* Graduate Student PhD, Study Program: Science Of Public Administration. Hasanuddin University, Makassar, Indonesia

\*\* Faculty of Social and Political Sciences, University of Hasanuddin, Makassar, Indonesia

**Abstract-** One of the methods in the success of the role of government that are currently considered relevant in the context of governance is the recognition of the role of CSR provided by the private sector in helping the government tackle the various problems the public sector. With the legislation on corporate social responsibility (CSR ) under Article 74, No. 40/2007 on limited liability company (PT), the Government indicated kepeduli anya on issues in the field of CSR in Indonesia. With the law comes the question, the extent to which the ideal role undertaken by the government in the implementation of CSR is to encourage the implementation of CSR Sinarmas in Kodam VII / WRB in the perspective of governance with less involves actor actors such as Private sector and civil society. By looking at public sector roles in strengthening corporate social responsibility Fox, Ward, Howard (2002), this study will describe how the roles performed by ernment in the implementation of CSR Sinar Mas in Kodam VII / WRB. The findings of the research show that the government's role was limited to the role of mandating through legislation on how companies in the natural resources sector are required me carry out CSR activities. The role of government in not maximized as a facilitating role, Partnering and endorsing. No system of supervision in the implementation of CSR RTLH by the government involving civil society and the private deposited in the implementation, therefore, the government should increase of its role in raising the issue of CSR undertaken by the private sector.

**Index Terms-** a social responsibility and corporate responsibility (CSR), the Government role in CSR, Governance.

## I. INTRODUCTION

In the perspective of the science of public administration, state authority is seen as an organization that has a role to handle a variety of public issues. Currently the country is deemed powerless to overcome the problem became public that tanggungjawabnya effort, especially issues related to global problems. The impact of globalization and the weakness of human resources (HR) which is owned by the Government is a challenge, especially in formulating a policy which is expected to overcome the problems of the public. Awareness of the weak institutional capacity of government in dealing with the public

sector to encourage the government to be willing to involve other actors in addressing public problems. This condition causes the role of non-governmental organizations / private or non-state to get involved in the affairs of government increased.

The involvement of non-state actors in this case the private sector and the public is needed, especially in support of the realization of good governance (Governance). Actor / private organizations now have a very important role to help the public sector so that the state / government will be helped by the participation of the private sector in delivering public services. Governance as a selection of models and methods in running government power basically rely more heavily on the involvement of various elements, both from the community , among fellow government organizations, non-governmental organizations, as well as from private organizations (Leftwich 1993; Rhodes 1997).

In line with the statement then Oyugi (2000) states that governance means the Government in carrying out its functions no longer look at the activity and power is in itself, but must already involve actors and other organizations. Therefore, when a unit of government performance is measured by the extent of the interactions and relationships between the various actors who exist outside the bureaucracy. One method in the success of the Government's role is currently considered relevant in the context of governance is the recognition of the role of CSR provided by the private sector in helping the government tackle the various problems the public sector. The complexity and rapid change such as not being able pursued by the government that requires the government to engage other actors in development and address the problems of the public sector.

To be able to run well and are able to control and supervise the necessary involvement of other actors outside the State (Non State). This is in line with k Concept Governace ADB (2000), which should prioritize the principles of *Transparency, Accountability, Responsibility* and *fairness*, that the implementation can involve many actors to supervise each other like the concept of *governance* dikemukakan by Rodes (1996), Stoker (1998 ) involving government actors, private and public. The involvement of other actors outside the government in the context of corporate social responsibility (CSR) khususnya private sector society in *governance perspective mela l ui increasing the role of government in CSR* at t more of which is in gin achieved by this research. By looking at *public sector roles*

in strengthening corporate social responsibility Fox, Ward, Howard (2002), that the role of government should as mandating, facilitating, partnering and endorsing to improve

CSR as can be seen in Table 1. Roles In Strengthening Public Sector CSR.

**Table 1. Roles In Strengthening Public Sector CSR**

<b>Mandating</b>	'Command and control' legislation	Regulators and inspectorates	Legal and fiscal penalties and rewards
<b>Facilitating</b>	'Enabling' legislation	Creating incentives	Capacity building
	Capacity building	Raising awareness	Stimulating markets
<b>Partnering</b>	Combining resources	Stakeholder engagement	Dialogue
<b>Endorsing</b>	Political support		Publicity and praise

Source: Fox, Ward, Howard (2002), public sector roles in strengthening corporate social responsibility: a baseline study, IIED.

In line with the (Fox, Ward, Howard, 2002) then O'Rouke (2004) provide a more detailed explanation about the role of government above categories. First, the role of mandating when the government is giving out legally mandated through legislation or government regulations. So the government can conduct surveillance in terms of CSR reporting both the evaluation reports and cross-checking the contents of the report. The second is when the government facilitating provide a reference or guidelines in the implementation and reporting of CSR and CSR information dissemination. The third is partnering in which the government is involved in the promotion of multi-stakeholder cooperation initiatives or cooperation with the respective companies. In other words, the government can be a facilitator of dialogue between stakeholders. The fourth is endorsing the role of CSR in terms of reporting program through positive efforts within a framework of transparency as an example is the CSR award

With the law on corporate social responsibility (CSR) under Article 74, No. 40/2007 on limited liability company (PT), the Government demonstrated its concern to the issues in the field of CSR in Indonesia. With the law comes the question, to what extent the ideal role undertaken by the government in the implementation of CSR is to encourage the implementation of CSR Sinarmas in Kodam VII / WRB in governance perspective by involving their actors such as the private sector and civil society. The Role of Government in improving CSR is the which is not optimal, especially in the CSR program for Rehabilitation Home unlivable (RTLH) Sinarmas in Kodam VII / WRB, the formulation problem in this study is "How the Role of Government in promoting CSR RTLH Sinarmas In Kodam VII / WRB Makassar ". Roomates objective of this study is to describe and analyze how the role of government (public sector) on the issue of corporate social responsibility. This research will clarify the role Carried out by the government in the implementation of CSR Sinarmas in Kodam VII / WRB Makassar.

## II. RESEARCH METHODS

In order for the formulation of the problem of missed and the purpose of this research is achieved, this study used a qualitative approach. The unit of analysis of this study is

Sinarmas and Kodam VII / Wirabuana particular army unit in the city of Makassar as beneficiaries of CSR programs RTLH. Collection techniques compaction technique yes wawancara and observation while the key informants were: Regional Commander VII / WRB, Head of corporate communication Sinarmas President Office, Chief of Engineers Military Command VII / WRB Makassar, Pabandya Jaslog Skodam VII / WRB, 9 POP of units in carefully composed of Yonkav 10 / assault, Yonzipur 8 / SMG, Yon Raider 700, Zidam VII / WRB, Denintel Kodam VII / WRB, Hubdam VII / WRB, Yon Arhanud Maleo, Pomdam VII / WRB, Yon Armed 6-67 / Pull, receiver Rehabilitation RTLH CSR program consisting of 27 (twenty seven) community (Soldier / GOVERNMENT EMPLOYEES, Army and wife) beneficiaries of CSR programs of rehabilitation RTLH represented by three people from each POP collected for interviews each receiver unit RTLH CSR program.

## III. RESULTS AND DISCUSSION

The role of public sector in improving CSR (Fox, Ward and Howard, 2002) says that the role of public sector consists of Mandating, Facilitating, Partnering and endorsing that should be run by the Government in the implementation of CSR programs RTLH Sinarmas in Kodam VII /WRB.

The results showed that Roles Mandating (Mandate) can be done with the mandate of the law (law), regulation (regulation), penalties (penalties), and public sector institutions related to control various aspects of business investment or operations. According to Fox, Ward and Howard (2002), that the Government can: a) Ordered and control through Law No. 40 of 2007 on limited liability company (PT.), The role of government command and control legislation to improve CSR for the creation of social responsibility and the environment has been carried out properly, so that the principles of tanggung jawab company can be implemented with the Law on PT. Especially article 66 and 74. b) The process of policies and supervisors (Regulator and Inspectorate),in the implementation of CSR as a regulator has been done with Preparing the Law on Regulation of the Minister of CSR and other relevant CSR, whereas for monitoring the implementation of CSR has not been done by the

Government, this can be seen from the absence of direct government control will be implemented CSR programs Sinarmas in Kodam VII / WRB, here only handed over to Sinarmas and Executor in any particular military command under the supervision Zidam VII / WRB. Inspectorat supposed role of the regulator and can be implemented in accordance with the opinion of Fox, Ward and Howar (2002), that the government has a role in promoting CSR with making regulation and supervision in its implementation. c) Provide legal and fiscal sanctions and rewards (Legal and fiscal penalties and rewards). For legal and fiscal penalties and rewards (*Legal and fiscal penalties, reward*) has not been done. This can be seen even though Sinarmas already doing social obligations through the CSR program RTLH no reduction *piscal penalties* the form of tax incentives and awards as the *company's corporate governance* that have been recorded in the bur sa effects Indonesia and Singapore. It should be the role of mandating the Government as *comand and control legislation* (command and Control Act), and *inspectorat Regulator* (Regulator and supervision), *Legal and fiscal penalties and rewards* (legal and fiscal sanctions and rewards) can run the Government as said Fox, Ward and Howard (2002).

Correspondingly O'Rourke (2004) provide a more detailed explanation of the role category when the government legally mandating give mandates through laws or government regulations. So the government can conduct surveillance in terms of CSR reporting both the evaluation reports and cross-checking the contents of the report that this will make the implementation of CSR into *transparency, accuntabel, responsible and fairnes* in implementation based on the principle of *governance*. This will be in line with the concept of *Governance ADB* (2000) which should prioritize the principles of *Transparency, Accountability, Responsibility* and *fairness*, that the implementation can involve many actors to supervise each other like the concept of *governance* dikemukakan by Rodes (1996), Stoker (1998) involving government actors, private and public so that everyone can watch each other and play their respective roles.

The results showed that for the role facilitating This can be done by the Government as described by Fox, Ward and Howard (2000) can be done by : a) **Facilitate legislation provide invitation (Enabling legislation)**, this role has been taken by the government to prepare the Act and Regulation others particularly with respect to CSR through; Law No. 40 of the Limited Liability Compa in 2007, Minister of State Owned Enterprises (SOEs) No. Per 05 / MBU / 2007 on Partnership Program SOE with Small and Medium Enterprises (SMEs) and the Community Development Program (BL). Implementation of CSR organized by Law, Candy SOE prepared by the government to regulate CSR. This is in line with the opinion of Fox, Ward and Howard (2000) that the government has a role *fasilitating* to with providing law (**Enabling legislation**), in line with the O'Rourke (2004) provide a more detailed description of the category as a *facilitating* role of government when the government provide a reference or *guidelines* in the implementation and reporting of CSR and CSR information dissemination. Sinarmas have followed all the regulations that have been made by the Government as the reference by the Rays to implement CSR. In the implementation of CSR rules is unclear because of the absence of PP as technical implementation. b) **Provide**

**incentives (Creating Incentives)**. Role *Creating Incentive* (Provide incentives) should be done by the Government to improve CSR. The fact that the role of the field has not been implemented a optimally, it can be seen of the Efforts of the private and the recipient benefits of CSR funds who should attempt to deliver his report to get the facility in the form of tax incentives for companies giving CSR. Supposedly the Ministry of Finance through the Directorate General of Tax which pick up the ball, how incentives can be deducted through CSR so that other companies will be motivated and concerned about the CSR that is run for the benefit of society in the region so that social and environmental responsibility can be perceived by the public company. This is in line with what is said by Fox, Ward and Howard (2000).

Although the government has implemented a Role gives facilitating with facilities in the form of tax reductions, this is done with finance minister and derivatives regulations related taxes and donations namely Article 6 of Law No. 36 of 2008 on the fourth decline over the law number 7 of 1983 concerning income tax. Regulation No. 93 of 2010 on the national disaster relief donations, donations of research and development, education facilities donations, donations coaching sports, social infrastructure development fee can be deducted from the gross income Regulations finance minister No. 76 / PMK.03 / 2011 roomates Regulate the procedures for recording and reporting of national disaster prevention, donations and the development of research, education facilities donations, donations coaching sports and social infrastructure development costs can be deducted from gross income. SE Circular Letter No. SE-43 / PJ / 2013 on social infrastructure development costs that can be deducted from gross income related to the improvement of a country house in the ranks of the army which is unfit for human habitation, especially through CSR funds. In fact the reduction of the taxes emotion s submitted by the beneficiary benefits of CSR to the government in this case the finance ministry RI does not necessarily after the obligation fulfilled tax incentives directly reduced when the tax has been waged Online and E-Tax, this is what Become makes the private sector less trusting government (public sector) to fulfill the obligation of CSR so that they do perform CSR on the interests and policies of his own company. c) **Building Capacity (Capacity Building)**. The role to build capacity (*Capacity Building*) in promoting CSR has not been done by the government, it This can be seen from the lack of government capacity building in CSR. This will be a positive impact for the community, this will depend on the orientation and the capacity of institutions and other organizations, especially the role of government.

The government must do its part to build capacity in the implementation of CSR as presented Fox, Ward and Howard (2002) that the role of government facilitation one of which is the increased capacity. *This role can be done by the government* related to *capacity building* CSR includes the development of a healthy market policy, the participation of resources, political support for CSR actors, create incentives and improved organizational capabilities. The role of government to be Able to build the organization's institutional capacity to Regulate CSR is not yet clear, this is only made in the Act but for its implementation has not been done, because during this time the Government's policy to increase CSR can not create incentives

directly for companies that already implement CSR due to lack of institutional capacity of the government itself. **d) Provide budgetary support / funding (Funding Support).** Role Funding support to improve CSR by the government is done by providing financial assistance to the socialization importance of CSR programs. This socialization can be done by the Government to involve; institutions associated with CSR issues such as the Finance Ministry to give explanations on tax incentives, the local government to be able socialization of the rules of the Regulation to investor and the company that will run the business in a given region, so it is necessary budgetary support for socialization and facilitate the implementation of facilities and infrastructure. This socialization can be done with a seminar or an explanation CSR issues followed by representatives of companies that control or CSR program. The absence of budgetary support for the socialization of CSR by government (*Public Sector*) in the regulation of the provision of tax incentives for companies that have implemented social responsibility (CSR). In the absence of this, the socialization of the *private sector* do it themselves with their own way. **e) Increase awareness (Raising awareness).** Role Government should be Able to provide awareness of the awareness of the importance of CSR in the construction, the which the Government should be Able to play a role in disseminating to the private sector / private sector to consciously carry out CSR and have the awareness in the which the company operates, Fox, Ward and Howard (2002). With not only see the economic benefits alone but able to see the environment and social life of the surrounding community. This role can not be performed well evident from the findings that private parties do CSR not because of the appeal of the government but run a CSR as a part of the company's management system that everything depends on the policy of the company itself. This information is Obtained from Sinarmas explaining that in carrying out CSR not because of the encouragement of the appeal of government, sometimes Sinarmas that provide socialization with others, awareness (*awareness*) Sinarmas do with academics through a seminar on the importance of awareness of CSR, this activity Sinarmas do with Gajah Mada University (UGM), for example about how to increase the role of the *private sector* to implement CSR related later by reduction of tax incentives. Awareness that arises from the company's own without being forced but Sinarmas try to follow the existing regulations that have been established by the Government, although in implementing the government is not doing its role as *Raising awareness* (raise awareness) in promoting CSR. **f) Stimulate Market (Stimulating Market).** The role of government should be able to provide stimulation to the market on the implementation of CSR undertaken by the *private sector* through *public sector roles in strengthening CSR*, Fox, Ward and Howard (2002). *Stimulating the market* to do the show, the role of government related to CSR policies for the development of a healthy market. The government should be able to understand the construction thinking company, because it would be contradictory when on the one hand trying to attract investors to invest their capital, while on the other hand due to too many rules, the cost of formal or informal, even make investors reluctant to invest, because the CSR company hopes will benefit from investment in the future, the company's investment in the long term and is a strategic fit its core business. Lack of Government's role in *stimulating Market*

**(stimulates Market) obtained from** the information in this study, that Sinarmas implement CSR is not just a tool of *public relations* and marketing, but as a series of production management, resource to marketing the value of strategic value Sinarmas, so Sinarmas hope the Government can facilitate it all with ease and no complicated licensing with formal rules and informal, Sinarmas hope there is an ease for example in the provision of tax incentives in other ways through the implementation of CSR thus *facilitating* role of government in particular *Stimulating Market* (Stimulates the Market) can help attract investment in a region with all the ease of licensing at the level of bureaucracy.

Fox, Ward and Howard (2000) says that the role of facilitating this can be done by setting the policy framework as a whole clearly and position for guiding and directing CSR in business investment, development, coaching is not binding and labeling or code for its application in the market, facilitating laws and regulations, provide incentives for CSR in business investment in accordance with the mandate of the transparent and accountable in various issues, tax incentives, investment in research and awareness raising. In this case the government agency can foster the conditions, facilitate, or provide incentives to companies willing to implement CSR agents and or Involved in social and environmental improvement programs. Government's role here is as a *catalytic* or donor support (*supporting role*), for example by providing funds for research, dissemination of information, training or awareness campaigns for the implementation of CSR in accordance governance to good governance (good governance) and corporate governance good (*good Corporate Governance*). It is intended that no relevant *stakeholders* harmed by the CSR program. In line with the (Fox, Ward, Howard, 2002) then O'Rourke (2004) says that the government's role should be facilitated by providing a reference or *guidelines* in the implementation and reporting of CSR and dissemination of information about CSR as part of its function.

From the above explanation it can be said that the role *facilitating Government (Public sector)* in promoting CSR has not been implemented optimally this can be seen from the role as *enabling legislation* as a provider of the Law of CSR that has not been followed by the Government Regulation (PP) as the technical implementation. *Creating incentive* to give tax incentives are still convoluted procedures so that the efforts of the private sector and beneficiaries of CSR funds who should attempt to give his report, should the finance ministry through the director general of taxes that pick up the ball, how incentives can be deducted through CSR so that other companies will be motivated and care about CSR is run for the interest people in the region so that social responsibility and corporate environment can be perceived by the public. Capacity building in establishing institutions and Organizations include policy development in healthy markets, the participation of resources, political support for the perpetrators of CSR, creating incentives and increase the ability of organizations still can not be implemented. *Founding support* in facilities and infrastructure, as well as the methods for the dissemination of CSR budget has not been implemented. *Raising Awareness* in raising awareness of CSR to the *private sector* is still lacking. *Stimulating the market* in the

implementation of CSR is still complicated by the formal and informal rules that make slow *private sector* to invest.

The research showed that for **Role Partnering (Partner)** according to Fox, Ward and Howard (2002) can be done by: a) **Combining resources (Combaining resouces)** public with business people (*business sector*). The government has not been fully able to carry out this role, it can be seen from the lack of government capture the existing opportunities for cooperation CSR fund utilization. Information obtained from the research results that this has not been done considering the role of private sector in carrying out the company's CSR policy directly correspond respectively without coordination with the Government, the *private sector* assume that CSR is done in the interests of the company, the company only runs the regulations that have been set by the government. In the implementation of CSR instead Sinarmas not involve the Government but Sinarmas has policies relating to the company's interests in implementing CSR, Sinarmas try to respect the regulations made by the Government, Sinarmas have priorities to implement CSR at the discretion of the Company. Sinarmas CSR results reported to the Ministry of Finance, but in the implementation of the Government excluded it is Sinarmas technical field. Sinarmas conducting its own corporate policies, from the information it is clear that the Government has been no attempt to combine resources.

The role as a partner supposed to be done by combining resources (*Combaining resouces*) public with business people (*business sector*). When we see the results of CSR Sinarmas in Kodam VII / WRB views of the *role of the public sector to strengthening CSR* Fox, Ward and Howard (2002) the Government has not been fully able to carry out this role, it can be seen from the lack of government capture opportunities there is joint use of funds to carry out CSR. In this case the government (*public sector*) act as participants, to share skills by combining resources, as well as materials needed in CSR activities to establish strategic partners, encouraging the *private sector*, communities and governments can work together in partnership by way of combining resources (*Combining Resources*) owned by each of the actors in CSR will facilitate the implementation. Government role in CSR activities is very important. Strategic partnerships can be built by the government and engaging the *private sector* to participate in development by utilizing its CSR funds by involving other public companies are located in the region. In a strategic partnership can be used as a means of combining resources (*Combaining Resoarches*) share skills and input from the *public sector*, *private sector* and the public so that CSR can be run properly. **B) involve other actors/stakeholders (Stakeholder engagement)** in order to utilize the skills and resources that are complementary to address public issues in the CSR agenda either as participants, *convenor*. The role of the partnership is an important role in the CSR agenda. The strategic partnership becomes a means of sharing skills and input from the public, *private* and *civil society* in addressing social and environmental problems are complex. Sharing skills and input from the *public sector*, *private* and public, which is part of the involvement of various stakeholders (*Stakeholder engagement*) in addressing social and environmental problems are complex. Information from the research results show the Government has not been able to run

**Role Partnering (Mitra), Information** involve stakeholders (stakeholder Engagement) to solve the problems of the public by involving other *stakeholders* both *private sector*, the public (*Civil Society*) through the CSR program has not been seen by the government. This role has not been fully implemented by the government sometimes private partnership with the private sector other and directly distribute funds CSR in the community as determined by the company, for Sinarmas Cooperation is absolute and must be implemented because it recognizes the role of government, does not have to be ordered or due to lack of regulation, this is in line with the information Obtained in the study that the terms of the *partnership* Government, in cooperation with the government does not have to be ordered or regulated but must start from ourselves. Here the necessary synergy instead of because of the law, Sinarmas realize that Sinarmas can not work alone without the help of other parties both government, other private individual and the community for collaborative cross-party and *multi-stakeholder*, involving all *stakeholders*.

Other information obtained from research that cooperation in CSR is very necessary, because if a lack of cooperation and supported his government as a partner, the CSR will not be successful, not optimal role of government as a partner can make CSR difficult to implement, especially if the absence of the network (*networking*) between the Government, private and the public would not likely be downgraded CSR CSR funds. Proximity and leadership factors in lobbying CSR funds are also very influential, did not rule out changing the leader, CSR next will not go there again, especially if the previous program was not as expected by the private sector donor, although the donor CSR conscious of social responsibility and environment but they must choose and see where the priorities of the consideration the company profitable. The government should be able to involve other actors / stakeholders (*stakeholder engagement*) to utilize the skills and resources that are complementary to address public issues in the CSR agenda, Fox, Ward and Howard (2002). **c) Men Dialogue / discussions (Dialogue)**. Lack of government's role as *partnering* should be resolved by the frequency of the Government to engage in dialogue and communication, and builds good harmony between the *stakeholders* involved in CSR. From the information the research revealed the positive efforts of Pangkotama to help either central or local government to promote the importance of cooperation and partnership including inter-agency collaboration Government. Other information that the role of government to dialogue on the issue of CSR is less visible than beneficiaries of CSR which seeks to communicate and discussions with the *private sector* to obtain financial assistance CSR. Without establishing dialogue and communication as well as the harmonization of the corporate (*private sector*), it is unlikely the company gives grants CSR, this is a role to be played by the government to facilitate the to build a space for the possibility of cooperation among stakeholders and partnership. Trust from the *private sector* to be captured properly in order to assist the development process through the utilization of funds CSR so that all *stakeholders* can play a role in the development of this nation. In this case, the government can play the role as a participant, organizer conference (*convenor*), or facilitator can be done by *dialogue* and discussion and facilitate the dialogue between stakeholders (*stakeholders*),

although not necessarily in control of Fox, Ward and Howard (2000). In the absence of cooperation and partnership as well as the communication and *dialogue* (Discussion) impossible role of government will be realized to improve CSR and its proven role of government is lacking in the implementation of CSR Sinarmas in RTLH rehabilitation program in the Military Command VII / WRB.

From the above explanation can be said that the government has not been fully able to carry out the role of Partnering, it can be seen from the lack of government capture the existing opportunities for cooperation CSR utilization of funds as revealed several key informants. The role of government in CSR activities is very important. Strategic partnerships can be built by the government and engaging the private sector to participate in development by utilizing CSR funds by involving other public companies are located in the region. In establishing strategic partnerships can be used as a means of combining resources (Combining Resoarches) share skills and input from the sector Public, private sectors and communities that are part of the involvement of various stakeholders (Stakeholder engagement) in addressing social problems and a complex environment should be carried out in accordance with the role of a partner to combine resources (Combaining resouces) public with business people (business sector) and involve actors other / Stakeholders (stakeholder engagement) in order to utilize the skills and resources that are complementary to address public issues on the agenda CSR either as participants, convenor and dialogue / discussion (Dialogue), Fox, Ward and Howard (2002). In the absence of cooperation and partnership as well as the communication and dialogue (Discus) impossible role of government will be realized to improve CSR and this proven role of government is lacking. This is similar to what was said by O'Rouke (2004) that the role of partnering should the government be involved in the promotion of cooperation initiatives mul stakeholder or cooperation with the respective companies. In other words, the government can be a facilitator of dialogue between stakeholders.

Furthermore for the role of endorsing the Government according to the fox, ward and Howard (2002) can be done by providing: a) **political support and endorsement or leacy (Political support) towards CSR.** Role of ratification can take various forms, can through policy documents, public sector management practices, respect for the company that runs the CSR. The Government has not been able to give political support (Political Support) for the company that has run its CSR program well. The government should encourage the private sector to get its legality (Political Support) for companies that have run their CSR is awaited by the private sector, but this is demanded by the company because it is of the reward for his efforts has been doing CSR well to run social responsibility and environment. opposedly the role of government in line with what was said Fox, Ward and Howard (2002) that in carrying out CSR government has a role to encourage companies that receive political support in the form of policy documents, the practice of public sector management in the form of a tax deduction (incentive) or in the form of award, or recorded in the stock market as a healthy company that good corporate governance and CSR observant. The role of endorsing in terms of reporting CSR program through positive efforts within a framework of

transparency as an example is the award of CSR, O'Rouke (2004). It is clear from information obtained from the research that by running a CSR program, then Sinarmas benefit indirectly from the people who are in the territory of operational Sinarmas, so Sinarmas to this day can be operating properly due to public support (Political support) in the form of Public liscense or approval of the local community, if there are problems in the field of society to help Sinarmas as well, so that every body happy and Sinarmas get a win-win solution to overcome the problem, it is also the Government should do to give awards and publication as political support (Political Support) in companies that have run CSR well, Sinarmas feel it is still not carried out by the Government for the award is the association of banking and international institutions is not a government with the role. b) **Publicity and praise (Publicity and praise).** The government has not made the event CSR Award and awards other like a good company in implementing CSR in the form of publicity and praise (Publicity and praise). The role of government in providing publicity and praise (Publicity and Praise) for companies implementing CSR in the region is less played, and is still considered only as a ceremony, even though awards and recognition public for the companies that run their CSR well is required by Sinarmas. Information from the result showed that the government's role as a driver / endorsing the implementation of CSR should be enhanced, in addition to encouraging the Government should control, during the Government's role may already exist but have not been optimal, that the government is aware of this CSR can be used to help Accelerate the development that has not supported by the government, the private sector can be involved. Therefore, the government needs to provide political support and appreciation for the good company in CSR, this has not been done by the Government. Government's role in Publicity and Praise (Doing publicity and reward) has not been implemented, awards received Sinarmas obtained from the association of banks, both from the public banks or private banks in Indonesia banking anugrah and international awards, it is found from the information hasi research that The Government has not given specific awards for companies that have been running CSR well, awards earned by the banking Sinarmas of Indonesia in the form of awards in the field of environment, CSR and corvorate Governance a Prix D'excellent Winer International Gold Award For Sustainable Development of 2013, Ranked 2<sup>nd</sup> Corporate Social Responsibility grace banking Indonesia of 2013, Ranked 3<sup>rd</sup> GCG Anugrah banking Indonesia, it is proved that the reward is not the government but the combination of the banking associati. Should conform to what the role O'Rouke (2004), that the role of endorsing in terms of reporting CSR program through positive efforts within a framework of transparency must be given as an example is the CSR award. The government has a role to encourage companies that get publicity and praise (Publicity and praise) this can be done in the form of a tax deduction (incentive) or in the form of award, or tercatat in the stock market as a healthy company that good corporate governance and obey the CSR or awarded in the form of publicity to the public through a special event.

#### IV. CONCLUSION

1 Government's role is still confined to the role of *mandating* through legislation on how companies in the natural resources sector are required to conduct CSR. The role of government is not maximized in other roles such as *facilitating, Partnering and endorsing*, it can be seen from the lack of government capture the existing opportunities for cooperation CSR utilization of funds by involving other actors such as the *private sector and Civil society* in accordance outlook Governance. In addition not the supervisory system in the implementation of CSR in Indonesia, therefore, government (*public sector*) should increase its role in the issue of CSR are carried out with the involvement of actors other as *private sector and civil society in accordance perspective of governance so that each other can be mutually supervise and control*. The government should be able to apply the role of the public sector to *strengthening CSR* (fox, War and Howard, 2002) which has been applied and proven to work as *best practices* in Angola, El Salvador, Philippines and Vietnam, although in these countries there is no law such as in Indonesia, but the role of the *public sector* plays an important role and is a determinant for the realization of the participation of *private sector and civil society* in the implementation of CSR both in the planning, implementation, reporting and evaluation of results. *Public sector* must be able to attract and involve the *private sector* and community participation in CSR implementation in particular to accelerate development. So that each other can each act and mutually supervise the implementation, and can control both the accountability in *akubtabilitas, transparency, responsibility, fairness* for the beneficiaries of the program so that the *Good Governance* which is run by the *public sector* can be accomplished, *Good Corporate Governance* that run *private sector* can realized with the involvement of all three *actors* so that from the perspective of *governance* all have the same function and role in its implementation in order to improve CSR better.

#### REFERENCES

- [1] Asian Development Bank, annual Report, 2000.
- [2] O'Rourke, D., 2004. Opportunities and Obstacles for Corporate Social Responsibility Reporting in Developing Countries. The World Bank and International Finance Corporation.
- [3] Fox, Tom. , Halina Ward, and Bruce Howard. 2002. Public Sector Roles in Strengthening Corporate Social Responsibility: A Baseline Study, World Bank 2002.
- [4] Leftwich, A., 1993, "Governance, Democracy and Development in the Third World", Third World Quarterly, 14: 605-24.
- [5] Oyugi, WO, 2000, Good Governance and Local Government, Tokyo University Press, Tokyo.
- [6] Rhodes, R., 1996. "The New Governance: Governing without Government." Political Studies, No. 44: 652-657.
- [7] Rhode s, R., 1997. Understanding Governance: Policy Networks, Governance, reflexivity and Accountability. Buckingham: Open University Press.
- [8] Stoker, G., 1998, "Governance as Theory: Five propositions." International Social Science Journal, Vol. 50, No. 1: 17-28.
- [9] World Bank, 2002, The Role of Public Sector in CSR - http:// www.leidykla. eu / fileadmin / Economics / 86 / 55-67. pdf
- [10] Law Number 40 Year 2007 regarding Limited Liability Company.

#### AUTHORS

**First Author:** Deni Iskandar : Graduate Student PhD, Study Program : Science Of Public Administration. Hasanuddin University, Makassar, Indonesia. Email : deni.unhas24@yahoo.co.id  
**Second Author:** Haselman : Faculty of Social and Political Sciences, University of Hasanuddin, Makassar  
**Third Author:** Hasniati : Faculty of Social and Political Sciences, University of Hasanuddin, Makassar  
**Fourth Author:** Gita Susanti : Faculty of Social and Political Sciences, University of Hasanuddin, Makassar.

# Government's Role in Improving Corporate Social Responsibility (CSR) Rehabilitation Home Unlivable (RTLH) Sinarmas in Military Region VII /Wirabuana Makassar in the Perspective of Governance

## ORIGINALITY REPORT

% **16**  
SIMILARITY INDEX

% **9**  
INTERNET SOURCES

% **2**  
PUBLICATIONS

% **15**  
STUDENT PAPERS

## PRIMARY SOURCES

**1** Submitted to London School of Science & Technology % **7**  
Student Paper

**2** [journal.kopertis-4.org](http://journal.kopertis-4.org) % **4**  
Internet Source

**3** [unsri.portalgaruda.org](http://unsri.portalgaruda.org) % **1**  
Internet Source

**4** Submitted to University of Sarajevo % **1**  
Student Paper

**5** [worldbank.home.by](http://worldbank.home.by) % **1**  
Internet Source

**6** Submitted to University of Balamand % **1**  
Student Paper

**7** Fani Cahyandito, Martha. "Accelerating the achievement of Millennium Development Goals (MDGs) through Corporate Social Responsibility" < % **1**

# (CSR) : an actual discussion in Indonesia and Germany", Universität Freiburg, 2012.

Publication

- 
- |    |  |      |
|----|--|------|
| 8  | Submitted to School of Business and Management ITB<br>Student Paper            | <% 1 |
| 9  | internationalconference.com.my<br>Internet Source                              | <% 1 |
| 10 | siteresources.worldbank.org<br>Internet Source                                 | <% 1 |
| 11 | Submitted to The Stockholm School of Economics in Riga<br>Student Paper        | <% 1 |
| 12 | Submitted to American University of Beirut<br>Student Paper                    | <% 1 |
| 13 | hdl.handle.net<br>Internet Source  | <% 1 |
| 14 | Submitted to London School of Economics and Political Science<br>Student Paper | <% 1 |
- 

EXCLUDE QUOTES ON  
EXCLUDE BIBLIOGRAPHY ON

EXCLUDE MATCHES < 15 WORDS