# Nihi Sumba Resort's corporate social responsibility as philanthropy activities

# Ni Putu Virgin Kartika Sari<sup>1\*</sup>, I Ketut Astawa<sup>2</sup>

<sup>1</sup>Tourism Business Planning, Politeknik Negeri Bali, Indonesia <sup>2</sup>Tourism Business Management, Politeknik Negeri Bali, Indonesia *Email:* <sup>1</sup>*virginkartika* @*gmail.com*, <sup>2</sup>*ketutastawa* @*pnb.ac.id* 



#### **Article History**

Received on 10 February 2020 Revised on 8 May 2020 Accepted on 29 May 2020

#### **Abstract**

**Purpose:** This research aimed to analyze corporate social responsibility (CSR) conducted by Nihi Sumba Resort in relation to the philanthropy activities run by Sumba Foundation as the Non-Government Organization pointed by the resort to hold their CSR activities.

**Research methods:** Data analysis was done through descriptivequalitative methods by examining the three clusters of policy, which are International, national and local policy, to elaborate whether the conduction has been following the clusters rule or not.

**Results and discussion:** The results showed that CSR activities run by Nihi Sumba Resort were not only incidentally CSR but a sustainable one, especially in relation to the ecosystem of the island. The driving factors of CSR were as a form of moral obligation, to improve the company image, and to gain profit.

**Conclusion:** The conduction also has been well handled according to the cluster of the policies, with the extra benefit of the ecological impacts of the CSR programs are the minimization of energy consumption generated through the use of vernacular concepts in all existing properties.

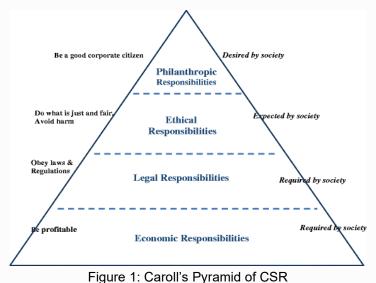
Keywords: corporate social responsibility, ecotourism, philanthropy, Nihi Sumba Resort

## Introduction

The rapid growth of the tourism sector is putting pressure and influence various dimensions of human life. Improper development and well-planned logging also forest conversion land for tourism, reduced biodiversity, loss of flora and fauna habitat, environmental pollution, increasing energy use, marginalization of local residents and loss of identity and the culture of local communities, often associated as the negative impacts posed by the development of conventional tourism. Along with the increasing of environmental awareness among tourists, it also influences their preferences in choosing accommodation facilities in a destination. Tourists are more interested in using lodging services which applies the concept of ecotourism and eco-friendly hotel) compared to conventional accommodation (Noor et al, 2014). The changing trends in the tourism sector nowadays are demanding every

company to change their conventional policy patterns with implementing corporate social responsibility (CSR) programs as a strategy for the company to survive in increasingly fierce competition.

In Archie B. Carrol's view (Carroll's pyramid of CSR: taking another look:2006), CSR is the pinnacle of the pyramid closely related and even synonymous with philanthropic responsibilities and according to Carrol, the pyramid concept he developed would justify theoretically and logically why the company does CSR. Carroll's four part definition of CSR was originally stated as follows: "Corporate social responsibility encompasses the economic, legal, ethical, and discretionary (philanthropic) expectations that society has of organizations at a given point in time" (Carroll 1979, 1991). This set of four responsibilities are; 1) Philanthropic Responsibility, 2) Ethical Responsibility, 3) Legal Responsibility, and 4) Economic Responsibility. The four-part definitions creates a foundation or infrastructure that helps to delineate in some detail and to frame or characterize the nature of businesses' responsibilities to the society of which it is a part. Corporate philanthropy included in the four definitions as a form of business giving. Corporate philanthropy embraces business's voluntary or discretionary activities. Philanthropy or business giving may not be a responsibility in a literal sense, but it is normally expected by businesses today and is a part of the everyday expectations of the public. Certainly, the quantity and nature of these activities are voluntary or discretionary. They are guided by business's desire to participate in social activities that are not mandated, not required by law, and not generally expected of business in an ethical sense. Having said that, some businesses do give partially out of an ethical motivation. That is, they want to do what is right for society. The public does have a sense that businesses will "give back," and this constitutes the "expectation" aspect of the responsibility. When one examines the social contract between business and society today, it typically is found that the citizenry expects businesses to be good corporate citizens just as individuals are. To fulfill its perceived philanthropic responsibilities, companies engage in a variety of giving forms – gifts of monetary resources, product and service donations, volunteerism by employees and management, community development and any other discretionary contribution to the community or stakeholder groups that make up the community.



rigure 1. Caron's Fyrainiu or Corc

Although there is sometimes an altruistic motivation for business giving, most companies engage in philanthropy as a practical way to demonstrate their good citizenship. This is done

to enhance or augment the company's reputation and not necessarily for noble or selfsacrificing reasons. The primary difference between the ethical and philanthropic categories in the four part model is that business giving is not necessarily expected in a moral or ethical sense. Having said all this, philanthropy historically has been one of the most important elements of CSR definitions and this continues today. In this research, Nihi Sumba Resort was used as the object of research in Indonesia, in order to match their CSR policy framework to the 3 clusters of policy which are international, national, and local especially the philanthropic activities conducted by the resort. Travel + Leisure, a tourism magazine from the United States, named Nihi Sumba Resort as the best hotel in the world or # 1 Hotel in The World 2016. Nihi Sumba offers a unique personal journey for those who stay there since it involves guests in developing surrounding villages through its social responsibility program. The resort aims to follow the principles of sustainable tourism by donating profits to the Sumba Foundation, that funds malaria clinics, run poverty prevention programs, build water wells and schools for the locals on the island. During their stay, guests are introduced to the Foundation's efforts through an impactful presentation and short film. The resort is the largest employer on the island where locals make up more than 90% of its total workforce.

Starting from the non-maximized implementation of CSR in Indonesia, with the research at the Nihi Sumba Resort was done as an example successful implementation of CSR. The purpose of this research is to: (1) knowing the CSR program carried out by Nihi Sumba Resort, (2) identify the CSR program conducted by Nihi Sumba Resort related to philanthropic activities, and (3) examine the implementation of 3 cluster of policy in the CSR conducted by the resort.

#### **Research methods**

This research is a type of qualitative research, with methods and data collection techniques through literature studies and internet-based research which mainly uses the Internet to collect data. Most commonly, the Web has been used as the means for conducting the study, but some literature review to support the knowledge take from the book also included. The choice of site or research location is a mandatory general step conducted first by researchers qualitative. Determination of information using subsequent literature studies with interpretive approach using existing theories. This research choose Nihi Sumba Resort (formerly Nihiwatu) as the Site which is one of the hotels starred in Indonesia. Nihi Sumba Resort located in a small and exclusive island hideaway in eastern Indonesia, sits on 175 hectares of tropical forest, rice terraces and grasslands, and features 1.6 miles of headlandprotected beachfront. Researchers chose this resort as the site because impressively, the resort designation as world's best hotel is quite reasonable, seeing the success of this resort selected as the best hotel in the world in 2016 by Travel & Leisure Magazine, a magazine based in New York, United States Union which the main reasons behind this achievement is the resort's commitment to carry out its CSR activities. CSR activities conducted by Nihi Sumba Resort based on community projects which integrated into the company management.

This research also analyze the government side which we could gained the knowledge related to CSR activities conducted by Nihi Sumba Resort and whether the conduction of the CSR itself has been in line with the 3 cluster of policy framework. Internationally, this research will use ISO 26000 Guidance for Social Responsibility as the guideline in conduct the CSR, Nationally, there are three leading ministries that are directly initiating, managing and mobilizing CSR funds from companies throughout Indonesia. There are The Ministry of Environmental Republic of Indonesia, Ministry of State-Owned Companies Republic of

Indonesia and Ministry of Social Republic of Indonesia, each of them had released their policies based on their sectoral laws. Locally, since the CSR of the resort mainly conducted by Sumba Foundation along with Nihiwatu's Island role, in the joint mission to alleviate poverty in the region, was to be the economic engine of the Island, as a non-government organization, conducting the CSR implementation of Nihi Sumba resort to accomplish the mission.

#### **Results and discussion**

## Nihi Sumba Resort and foundation

Nihi Sumba Resort soft opened in 2001 and had its first full year in 2005. Keen to protect the highly regarded surf spot from the overuse and abuse displayed in places like Bali, the resort restricted the number of surfers allowed at any one time. The owner eventually acquired around 600 acres but developed only a small portion of that, impacting as little of the environment as he could. Nihi Sumba offers adventure sports such as world-class fishing, surfing and diving, yet is an idyllic getaway for couples and anyone in need of rest and relaxation in pristine environs. Surrounding Nihi Sumba are Stone Age sites and traditional villages that have remained unchanged for centuries; this unique tribal culture with its ancient animist rituals is truly incredible. Nihi Sumba is made up of 12 estates, which are divided into one and multi-bedroom villas, all offering a different experience of the remote Sumba island. Through the generous support of Chris Burch, one of the owner of Nihi Sumba Resort, all administrative costs of the Sumba Foundation are maintained, allowing 100% of donations to directly fund the meaningful projects, to conduct the Corporate Social Responsibility of Nihi Sumba Resort.

The Sumba Foundation is deeply committed to lessening the consequences of poverty on the island of Sumba. The aim is to provide humanitarian aid through village-based projects that measurably impact local health by establishing access to clean water, creating educational programs, and lessening the effects of Malaria.

### The philanthropy activities

The Sumba Foundation empowers the people of Sumba while preserving and respecting their cultural traditions. At Nihi Sumba, they believe that sustainable development marries two important themes: environmental protection does not preclude economic development and that economic development must be ecologically viable now and in the long run. Nihi Sumba's CSR through the Sumba Foundation is focusing on philanthropy, while their top priorities, so too is preserving and respecting the fragile culture and traditions of the Sumbanese people. The goal of the foundation is to help ease the burdens of poverty the Sumbanese communities were living under.

Through Sumba Foundation, the corporate social responsibility of Nihi Sumba Resort divided into multiples project which contain Nutrition, Education, Water, Health, Economic, and The Future.

#### 1. Nutrition

The goal of this project is to provide healthy meals to help kids grow and learn. They began the Nutrition Program in early 2008 due to the immense number of malnourished children and adults seen in Western Sumba. The World Health Organization (WHO) estimates that malnourishment is the direct and/or indirect cause of 35 percent of deaths among children under the age of 5. The WHO defines acute malnutrition as "very low weight for height, by visible severe wasting, or by the presence of nutritional edema." (www.WHO.int, 2014). It's estimated that more than half of the Sumbanese children under the age of 5 suffer from

malnutrition and anemia caused by a poor diet. Anemia is debilitating for children. A mild case can impair intellectual development, lowering a child's IQ by 10 to 15 points. Stunted growth is also a massive problem in rural Sumba, and we find as many as 70 percent of school children are below the normal average height and weight for their age. Signs of undernourished and malnourished children are visible everywhere in Western Sumba, due to problems in the local diet and availability of food. There is just not enough food for everyone, and the standard local meals are low in calories, protein, and micronutrients. To fight malnutrition, the nutrition program has 2 programs, which are school lunches and infant nutrition.

#### a. School Lunches

To handle the malnutrition cases carried out by the Sumba Foundation is by providing help with nutritious food sources such as milk, eggs, chicken, green beans, rice, cooking oil, vitamins and medicines, and the provision of healthy processed foods. School lunch programmer providing lunch to nearby elementary schools around Nihi Sumba Resort. Until now it has reached 10 elementary schools around the Resort, and currently expanding into 12 schools so far, including two schools in the Sodan valley, whose students are in desperate need of better nutrition and hygiene education.. The plan is the number of schools recipients of this program will continue to increase. The school lunch program is given twice a week, i.e. every Monday and Thursday.



Figure 2. School Lunches Program (Source: https://sumbafoundation.org/)

#### b. Infant Nutrition

In June 2008, the foundation also initiated the Infant Nutrition Program for children ages 6 months to 5 years old. This was a direct intervention project for when the cases of undernourished young children in a given community were severe. The program has since expanded, and by January 2018, a total of 1,017 children have been through our six-month Infant Nutrition Program. While the children are in the intervention program, their parents are taught about nutritious food and how to cook healthy meals for their children. The foundation are now helping 200 infants in four different communities by providing a high-protein meal at each visit that is cooked by the parents of the children enrolled, and a week's supply of milk/formula, vitamins, and eggs for each child in the program. We track their weight gain and growth progress, measuring it against the World Health

Organization's standards for undernourishment. The goal of this program is not only to see infants develop and grow under healthy conditions but to also educate the parents of the children. We teach parents about their growing children's health needs, and we equip them with tools to provide better diets to all members of their families.

## 2. Education

The goal of this project is educating children by providing critical resources and infrastructure. They run this project by 7 programs, which are:

# a. The Learning Development Centre

In 2017, Sumba Foundation launched their community English program, welcoming 39 children at a classroom in a local primary school in Lamboya. Over the following months, this group of children increased from 39 to almost 400 students. In May, then they began the construction of the Learning Development Center and continued to grow their education team and to expand to new locations to teach more children the English language and to inspire them to dream bigger for the future. In 2019, they opened their flagship Learning Development Center in Hobawawi, where they are now teaching English to 300 students in a classroom three times per week. Their classrooms use technology such as tablets preloaded with DuoLingo and computers to expand their knowledge.

# b. Making Education Accessible

Indonesia does provide access to education, but in many cases the facilities are too small and are unequipped and in complete disrepair Thus, Sumba Foundation focus on school structures, libraries, and supplies. Their amazing group of volunteers, who come to Sumba on a yearly basis, get involved, too. Volunteer families have come with suitcases packed with crayons, books, and other school supplies. They have painted murals on school walls, donated sports equipment, bought new classroom furniture, and donated toward the infrastructure renewal. The Sumba Foundation supports 22 primary schools with water, toilets, tables, and chairs. At three of these schools, existing buildings, which were deemed unsafe, were renovated and new classrooms were added to accommodate the growing youth population.

## c. Offering Health Education

The Sumba Foundation has developed a teaching program that focuses on nutrition and hygiene education for students. Their nutrition and hygiene course is taught to children in primary grades 4 and 5. They start at this grade, rather than earlier because the younger children typically cannot speak the national language of Bahasa Indonesia and spend their first three years in school learning it. Their eight-point course is directly related to the School Lunch Program, so the students participating can see firsthand what a nutritious meal looks like. The children learn general health information, healthy foods and diets, general body hygiene (theory and practice), illness, diarrhea, malaria, infections, dental hygiene, and trash/waste disposal. Our nutrition and hygiene course is supplemental to the core curriculum that schools must follow as a national standard. It's taught in 16 of the 22 primary schools we support.

## d. Giving Scholarship

In addition to the Sumba Foundation's support of primary school education, they also help students continue to further their education. They reward the best students by providing scholarships. They sponsor students through their high school scholarship and college scholarship programs. Those that qualify for the scholarships and complete higher education come back home to Sumba to help their people by working with us in our clinics

and schools. They have also been assisting students interested in pursuing nursing. So far, they have helped 25 young adults attain a nursing education and currently have 16 in their scholarship program. There are two senior nursing schools on the Sumba Island and each take around 80 students per year. Of these 160 students, they offer scholarships to as many bright and needy students they have donors for. In 2017 they were fortunate to have donations for 14 new students. The selection process for scholarships is highly competitive and only bright students from very limited means are selected. The senior nursing education takes 3 years and will qualify them for employment at clinics and hospitals all over Sumba. They also support senior nurses to further advance their education and gain a bachelor degree at universities in Bali or Java. This is a two-and-a-half year university degree, on top of the main nursing degree, and it includes extensive theoretical and practical education at hospitals in Bali or Java. This degree is slightly more expensive than the senior nursing degree because of the higher fees and added travel expenses. They also provide scholarships for children to attend hotel training schools so they can find employment with the resort, Nihi Sumba.

# e. Developing Library

In addition to supporting classroom infrastructure, the Sumba Foundation encourages access to education by building libraries. The donors have supported and sponsored these libraries, including helping with the construction as well as providing quality reading materials for the students in the primary schools. Most recently, they have started providing books via their rolling library. Strategically located and stored remotely, it gives children in the area access to educational books throughout the week so they can continue to practice reading and learn outside of the classroom.

#### 3. Water

Water scarcity is a dominant problem on Sumba Island. To get clean water for cooking, bathing, and water drink, the population must travel quite far around 2-3 km. The distance of this water source causes a limited amount water that can be brought home. As a result, the use of water becomes very selective, preferably for cooking and drinking water needs only. Other things like for bathing and toothbrush needs neglected because of the difficulty in getting clean water. The conditions are the fundamental reason for the Sumba Foundation to conduct clean water supply projects for communities in the surrounding areas Nihi Sumba Resort.

When the Sumba Foundation began work in Sumba, rural access to clean water was close to nonexistent. During the 1980s and early 1990s, Indonesia went through massive water infrastructure improvements, but the major financial crisis of the late 1990s caused these improvement projects to stop. The Sumba Foundation's initial survey found that over 90 percent of schools and clinics in the area did not have running water or a water source nearby. The conditions within the villages were also very similar. While valley communities did have access to water, many of the hilltop communities lived without. This left the women and children spending most of their day fetching water instead of adding to the family income or going to school. Providing access to clean water is the foundation's oldest and most established program. This project is helping provide water to more than 27,000 people every day. The Sumba Foundation is committed to providing the Sumba people with access to water.

Potable water is essential to improving the livelihood of people in Western Sumba. Having clean drinking water, which eludes the majority of the population, is foundational for a healthy living environment.

## 4. Health Service

The health service project goal is alleviating suffering and saving lives. It is the second project of Sumba Foundation initiated since 2002. This program run in several developing programs which are:

# a. Increasing Health Access

When the Sumba Foundation embarked on a mission over a decade ago to provide the Sumbanese with access to health care, the government clinics were few and services limited. Suffering was obvious. People in Sumba had infectious diseases and very poor access to basic health care. In 2002, the foundation established their first health initiative. Groups of US medical students assisted a local government midwife clinic at Hobawawi, helping provide improved facilities for labor and delivery. Sumba Island is one of the areas with a high level of malaria endemic which is the highest in Indonesia. In an effort to fight malaria, Sumba Foundation through its health service project undertakes a number of breakthroughs, which include preventive and curative measures. In 2003, Dr. Claus Bogh visited the Sumba Foundation and with the Indonesian Ministry of Health, he conducted malaria surveys that revealed that 62 percent of children had malaria and very limited access to proper diagnosis and treatment. In 2004, Dr. Bogh joined The Sumba Foundation and established the Malaria Control Program. In early 2005, they opened their first clinic at Hobawawi with four nurses on staff and volunteer doctors. They have since expanded their health program significantly to have four medical clinics covering an area with 30,000 people, plus a host of other health initiatives. In addition to malaria control, their medical clinics now treat common ailments, infections, and cuts, provide eye care and dental care, and perform minor surgery. Over the past 15 years, they have diagnosed and treated around 400,000 patients and saved at least 500 lives. Since the early days of their health program, they've collaborated closely with the local government to help improve health care for all of Sumba and East Nusa Tenggara. Through this collaboration, they have seen government clinics and hospitals significantly improve and expand. In 2010, they opened the Malaria Training Center where they educate all of Sumba's government and private sector health professionals about malaria diagnosis, treatment and control. In 2018, they also educated the health professionals at the Training Center about the diagnosis and control of tuberculosis. They have expanded their health care collaboration with a number of local and international organizations. They have supplied government hospitals and clinics with medical equipment and supplies (Direct Relief International). Over the past 10 years, they have had groups of eye surgeons and optometrists from Australia (RACS) and Indonesia (UNHAS) perform eye operations and provide prescription glasses for all of Sumba. They have also had Australian plastic surgeons operate cleft palate and burn patients (Interplast) at local government hospitals. They frequently have international dentists volunteering at our clinics and collaborating with Indonesian NGOs on the provision of artificial limbs (Puspadi) and eye care education (John Fawcett Foundation).

#### b. Mama 2 Mama

The next health service program is the mama 2 mama program. This program aims to help reduce the number of maternal deaths and children on Sumba Island. Activities carried out through this program is to help pregnant women carry out ultrasound examinations (Ultrasound). An ultrasound examination is important to know the fetal growth and development and the risks of infant congenital disease. By conducting an ultrasound, preventive measures can be taken, such as giving vitamins to pregnant women and even considerations to have an abortion if it endangers the safety of the mother.



Figure 3. Mama 2 Mama Program (Source: https://sumbafoundation.org/)

# c. Helping People See

Another health program is the Sumba eye program. This program is a health sector project that specifically deals with cataract disease problems. This project is an annual program started in 2007, which was held in collaboration with Royal Australian College of Surgeons Melbourne, Australia under the leadership of dr.Mark Ellis. Every year in April, data collection is conducted to list the people with cataracts for cataract removal surgery and the distribution of glasses is done every August. Citizens who afford this program not only comes from West Sumba Regency, but also from the other three districts. For the success of this activity, team optometrist (ophthalmologist) from Australia assisted by a team of doctors from the University of Hassanudin, Makassar.

## The impact

It cannot be denied that the tourism industry is the driving force of the economy in a destination. Through social responsibility carried out by the Nihi Sumba Resort it has an economic impact on the lives of the people around the resort. This supports the statement of Mathielson and Wall (in Madiun, 2010: 108), that: "the economic benefits of tourism, which have been documented in the literature include the following: 1). The contribution of tourism to foreign exchange earnings and the balance of payments, 2). The generating of income, 3). The generating of employment, 4). The improvement of economic structures, 5). The encouragement of entrepreneurial activity.

Associating with the presentation of Mathielson and Wall above, there are two economic benefits felt by the surrounding community through CSR programs conducted by the Nihi Sumba Resort, namely: creating employment opportunities for the community and improving the economic structure of the community. The limited economic resources of the population which only rely on agriculture, fisheries, livestock, and civil servants caused a number of residents to leave their homes to find work in other areas outside Sumba such as Bali, Java, and even become migrant workers abroad. The company policy that provides enormous

opportunities for local residents to work at the Nihi Sumba Resort is a tangible form of the company in reducing unemployment. Currently the Nihi Sumba Resort employs as many as 300 local employees. The company's management policy to provide opportunities for local people to work in the Nihi Sumba Resort has helped reduce the flow of urbanization. By working as hotel employees, the local community earns a far greater income than the NTT Province minimum wage and per capita income of West Sumba farmers, who are the main livelihoods of the population.

Negatively, from the social aspect, the implementation of CSR carried out by Nihi Sumba Resort also feared that it could lead to community dependence on aid disbursed by the Nihi Sumba Resort. In addition, the CSR program of the Nihi Sumba Resort can also trigger social jealousy, especially in terms of recruiting workers.

# The cluster policy

In the global order and also in Indonesia, the definition of social responsibility generally refers to the ISO 26000 Guidance for Social Responsibility document, namely responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behavior that contributes to sustainable development, health and the welfare of society; takes into account the expectations of stakeholders; is in compliance with applicable law and consistent with international norms of behavior; and is integrated throughout the organization and practiced in its relationships. The ISO 26000 structure has seven core subjects. Organizational governance becomes the main foundation for the implementation of the other six core subjects (see the following diagram). Then the other six core subjects are issues that are very relevant to organizational behavior.



Figure 4. The ISO 26000 Structure Source: https://www.iso.org

In Indonesia, a lot of regulations are actually already related or even in line with the core subject of ISO26000 which are:

1. Article 1 paragraph 3 UUPT "Tanggung Jawab Sosial dan Lingkungan adalah komitmen perseroan untuk berperan serta dalam pembangunan ekonomi berkelanjutan guna meningkatkan kualitas kehidupan dan lingkungan yang bermanfaat, baik bagi perseroan sendiri, komunitas setempat, maupun masyarakat pada umumnya." which means Article 1 number 3 of the Company Law, Social and Environmental Responsibility is the company's commitment to participate in sustainable economic development in order to

improve the quality of life and the environment that is beneficial, both for the company itrticle 68 Undang-undang No. 32/2009 "Setiap orang yang melakukan usaha dan/atau kegiatan berkewajiban:

- a. Memberikan informasi yang terkait dengan perlindungan dan pengelolaan lingkungan hidup secara benar, akurat, terbuka, dan tepat waktu;
- b. Menjaga keberlanjutan fungsi lingkungan hidup; dan
- c. Menaati ketentuan tentang baku mutu lingkungan hidup dan/atau kriteria baku kerusakan lingkungan hidup"

Which means every person who carries out business and / or activity is obliged to:

- a. Provide information related to environmental protection and management in a true, accurate, open and timely manner.
- b. Maintain the sustainability of environmental functions; and
- c. Comply with provisions regarding environmental quality standards and/ or environmental damage criteria.
- 2. Act Number 13 of 2011 concerning Handling of the Poor, This Act does not specifically discuss the role and the function of companies in dealing with the poor, but there is a clause in article 36 paragraph 1 "Sources of funding in handling the poor, including: c. funds set aside from the company. Clarified in paragraph 2 Funds set aside from the company, company as referred to in paragraph (1) letter shall be used maximally for handling the poor. Whereas in Article 41 concerning "Community Participation", in paragraph 3 it is explained that "Business actors as referred to in paragraph (2) letter j participate in providing community development funds as a manifestation of social responsibility for handling the poor.

Locally, it is in line with the vision of East Nusa Tenggara Province Tourism Board which has a vision of tourism development is the realization of East Nusa Tenggara as a competitive and contributing destination for the people's welfare. Nihi Sumba Resort run the CSR through the Sumba Foundation establishment of the Sumba Foundation is as an extension of Nihiwatu Resort Corporate Social Responsibility as a Form of Ecotourism Development in West Sumba Regency. The company's hands are intended so that CSR activities can be carried out in a better management and as the local monitor in running the CSR program. Nihi Sumba Resort delegated a number of CSR programs to be handled by the Sumba Foundation in line with Nihiwatu's role, in the joint mission to alleviate poverty in the region, was to be the economic engine of the Island.

Lately, there currently a problem of tourism investment in West Sumba area which has caused legal, social and economic problems for local residents. From 2017 to 2020, encountered major problems in the agrarian sector that have not been resolved by the West Sumba Regional Government for a long time related to land own regulation. The development of tourism in West Sumba has shown rapid progress with the election of the Nihi Sumba Resort in Nihiwatu as the best hotel in the world in 2016 and 2017. The existence of the resort has a positive social and economic impact on the people and government of West Sumba. But behind that success the development of tourism in Nihiwatu in West Sumba has led to the annexation of community land or land and public resources. More than a quarter of a century the tourism industry in the Sumba coastal region has been running. The one who started it was Claude Garves from Germany. It was he who started in 1988 and in 1995 the Nihi Sumba Resort was present on the Lamboya-Wanokaka Coast, West Sumba. Currently, Nihi Sumba Resort is not alone on the South Coast of West Sumba. Starting from the coastal landscape of Gaura, Lamboya to Wanukaka, there are several resorts owned by foreign investors namely

Lelewatu Resort in Lele Watu, Nautly Resort in Patiala Bawa,, Watu Kaka Resort in Gaura. This does not include the various home stays currently in operation. At present, the Regional Government of West Sumba even explained that there will be the construction of 30 new hotels in West Sumba. These, are not in line with the main idea of East Nusa Tenggara Province's base idea of community based tourism, especially, within the land ownership conflict, there is no exact regulation on the limitation of the ownership which is something to regret.

However, we can conclude that most of all, the CSR run by the resort has been well handled and in line with all the mentioned regulations, from the ISO 26000 as the international guideline, national regulation articles, and from the local management done by the foundation included with the province's base idea of community-based tourism, although the tourism ignited by the resort has brought another conflict of land ownership regulation which currently unsolved.

#### Conclusion

Based on the result and discussion, the conclusions are drawn as follows; 1) The Resort's CSR program Nihi Sumba Resort is not just incidental, but it is sustainable because CSR has become a corporate commitment and integrated in company management to participate in developing the region around in particular area, and Sumba Island in general, 2) The impact of CSR activities carried out on development Ecotourism consists of social impacts, economic impacts, and impacts ecological. The social impact of CSR activities is receiving support government and community acceptance of the company's existence, an increase in health services for the community, and convenience will access clean water. Economic impacts include the creation of employment opportunities for society and improvement of economic structure. While the impact. The ecology of the CSR program is the minimization of the potential for carbon emissions arising through the use of the vernacular concept on all properties which exists, lastly, 3) The CSR program carried out by the Nihiwatu Resort is inseparable from the negative effects caused, which can trigger dependency the community towards assistance, can trigger jealousy social, and legalization of sea turtle hunting activities by the community. This study only examines the corporate social responsibility of the resort in relation to the philanthropy activities of the CSR itself. For further researchers who are interested in studying the topic of ecotourism, can conduct a study more in depth related to energy efficiency, water conservation and management waste, cultural aspects, and other aspects that have not been reviewed in this research.

# Acknowledgement

We express our gratitude to all parties that have supported this research writing process. We say thank you very much for the support.

## References

- Carroll, A. B. (1991). The pyramid of corporate social responsibility: toward the moral management of organizational stakeholders. *Business Horizons*, *34*(4), 39–48.
- Gayo, Sabela & Yeon, Asmah. (2013). Mandatory CSR Law in Indonesia: New Emerging Policy.
- Engel, Peter & Gradert, Maria. (2015) A Comparison of 4 International Guidelines for CSR. Danish Standards for Danish Business Responsibility.
- Roru Umbu, Yohanes. Darma Putra, I Nyoman. & Suardana, I Wayan. (2018). Corporate Social Responsibility Resor Nihiwatu Sebagai Bentuk Pengembangan Ekowisata di

Kabupaten Sumba Barat. JUMPA Volume 4 Nomor 2 Januari 2018, Universitas Udayana.

McWilliams, A., & Siegel, D. (2001). Corporate social responsibility: a theory of the firm perspective. *The Academy of Management Review, 26*(1), 117–127.

https://www.abacademies.org/ accessed on May 21, 8:40pm.

https://www.csr-in-deutschland.de/EN/What-is-CSR/Background/International-Frameworks/international-frameworks.html accessed on May 21, 15:50pm.

https://edition.cnn.com/travel/article/nihiwatu-hotel-indonesia/index.html accessed on May 21, 10:48am.

https://www.hukumonline.com/klinik/detail/ulasan/lt52716870e6a0f/aturan-aturan-hukum-corporate-social-responsibility/ accessed on May 21, 8:47pm.

https://www.indosurfcrew.com/which-role-does-nihiwatu-play-in-sumba-when-luxury-meets-remote-indonesia/ accessed on May 21, 08:43pm.

https://www.iso.org accessed on May 21, 09:50am.

https://www.nihi.com/ accessed on May 21, 11:20pm.

https://www.remotelands.com/hotel/nihi-sumba accessed on May 21, 1:28pm.

https://www.sumbafoundation.org accessed on May 21, 11:28am.