

Implementing tri hita karana values in Grand Inna Kuta's corporate social responsibility program

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Abstract

Purpose: This research was conducted to know the implementation of corporate social responsibility activities at Grand Inna Kuta hotel, which is focused on the implementation corresponding to international regulation, national regulation, and local regulation concerning of corporate social responsibility (CSR).

Research methods: By using descriptive qualitative method, this research describes CSR activities which refer to world tourism code of ethics, Indonesian republic government regulation, and local regulation which is the last in its relation with local culture i.e. Tri Hita Karana.

Results and discussion: The result shows that there are 6 corporate social responsibility activities which conducted by Grand Inna Kuta namely; blood donor activity, beach cleaning activity, trees plant activity, tribute to the village, social assistance, and social assistance during Covid 19 pandemic.

Conclusion: All the activities are a reflection of the local culture theory Tri Hita Karana which means harmonic relationship between human and God, human and human, and human and ecology.

Keywords: corporate social responsibility, Tri Hita Karana, hotel

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Introduction

Corporate social responsibility (CSR) is widely implemented by companies that engaged in natural resources sector such as mining (Umawan, et al, 2017). The companies have impact towards ecological conditions and social community (Umawan, et al 2017). However, nowadays the company that established on hospitality industry also applies the CSR to appreciate the social responsibility (Kim and Kim 2014).

CSR implemented by several companies to minimize the effect that caused by the companies to be accepted by the community which is organized by firms that are in accordance with the moral responsibility of the company to its ecology. Based on reference national regulation (*Peraturan Pemerintah*) number 47 year 2012 about social responsibility and limited liability company environment that on clause 2 stated “every legal company subject have social and environmental responsibilities. Based on that national regulation, firm or company obligatory to have social and ecological responsibility. Based on the code of ethics of world tourism consider that the relationship of tourism with environmental preservation, economic development, and effort to alleviate poverty sustainability as has been set by United Nation on 1992 at high level conference about Earth at Rio de Janeiro and be included in “Agenda 21” which also considers rapid and continuing changes in tourism growth in the past and in the future for the purpose of a vacation, business, culture, religion or health along with its positive and negative influence towards ecological, economic, and people both for tourist generating region, and tourist receiving countries, against local people, native inhabitants, and toward international relationship as well as trading or commerce.

Implementation of CSR program on hotel industry gives benefit for the hotel, by applying CSR activity provides positive impact that earned in a long period of time. Even though hotel industry do not sell any natural resources like mining in general, however hotel industry also uses natural resources such as water to run its business. As for some of the positive impacts for hospitality companies to carry out CSR include: gaining trust in the surrounding community, building the company's reputation, improving relationships with regulators and stakeholders, sustainable condition, and if done in Bali, will get the opportunity to get awards such as the Tri Hita Karana Award.

Developing the sustainable tourism is a condition where the three aspects namely; social cultural, ecology, and economic must sustain. If only 2 aspects are sustainable thus, the condition is not called sustainable tourism.

Grand Inna Kuta is a company that owned by state enterprises which engages in the field of tourism industry. With the hotel activity which uses natural resources like water, and beach that is not owned by the hotel, make the management create a program that is called CSR to give thanks to environment, ecology, and people around Grand Inna Kuta that has been maintain the security. The argument is in line with the result according to Benavides-Valesco et al (2014) corporate social responsibility is considered as potential sources in order to gain a sustainable competitive advantage.

Research results from (Henderson, 2007) stated that the implementation of corporate social responsibility has a valuable contribution to the development of sustainable tourism whose benefits have been demonstrated and are getting more and more appreciation. Corporate social responsibility emphasizes the obligations of a company, both private and non-private, not only focus on gaining profits, but also how they contribute to the environment around the company both in terms of economy, ecology, and also the surrounding community.

Based on the background explanation, makes the writer feel interested in doing research at the Grand Inna Kuta hotel to find out whether the activities of the corporate social responsibility that have been carried out are based on the international tourism code of ethics, national regulation and local regulation that corresponds to local culture, Tri Hita Karana.

Research methods

The research is located at Grand Inna Kuta hotel which is located at Jalan Pantai Kuta Number 1, Br. Pande Mas, Kuta District, Badung Regency.

In this study researchers use a qualitative descriptive method. According to Rahardjo (2017), qualitative method seeks to understand and interpret the meaning of a behavioral interaction event human behavior in certain situations according to the perspective of the researcher himself. Research that is use qualitative research aims to understand the object under study in depth aim to develop concepts sensitivity to the problem at hand, explain the reality related to search theory from below (grounded theory) and develop understanding of one or more from the phenomenon at hand. By doing so, researcher could examine the CSR towards the international, national, and local regulation.

The source of data are primary data and secondary data. Data collection techniques are carried out by doing documentation studies, direct observation, and interviews. The purpose of this research is to find out the corporate social responsibility activities at Grand Inna Kuta are in line with international tourism code of ethics, national regulation and local regulation that corresponds to local culture, Tri Hita Karana.

Results and discussion

The concept of corporate social responsibility generally emphasizes two elements, namely the harmony of the relationship between the company and the community and the alignment of the company's relationship with the environment. In the local concept, the cultural value of Tri Hita Karana contains the harmony of the relationship between humans and God (*parhyangan*), the relationship between human and human (*pawongan*) and the relationship between humans and the ecology (*palemahan*).

The community element in terms of implementing Customer Social Responsibility has a linkage with the element of relationship human and human (*pawongan*) in the Tri Hita Karana concept. Natural and environmental elements have linkages to the elements of human and ecology (*palemahan*) in the culture of Tri Hita Karana. However, in the culture of Tri Hita Karana, the elements of ecology (*palemahan*) and elements of society (*pawongan*) will always be related to God as the creator of the universe (*parhyangan*) (Pertiwi, 2013). Therefore, it can be said that the concept of corporate social responsibility, which is better known by the general public today, has a harmonious relationship with the concept of Tri Hita Karana which is owned by the Balinese people.

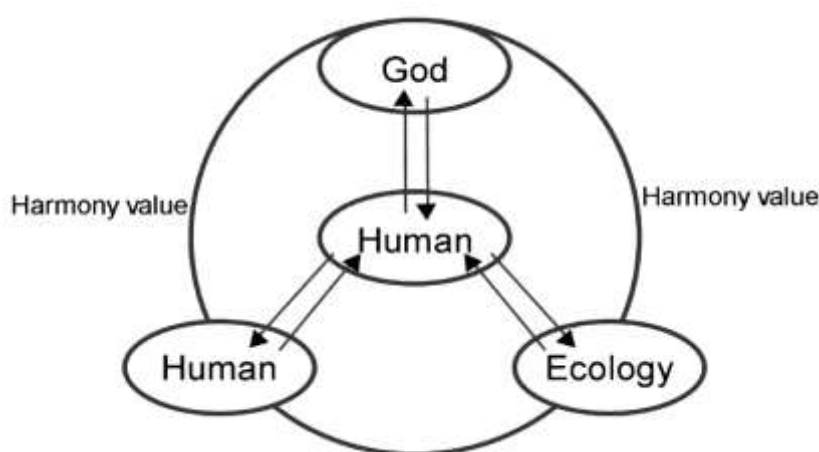


Figure 1. Tri Hita Karana Concept
(Source: Adapted from Suja, 2010)

The implementation of corporate social responsibility based on the Tri Hita Karana culture is also expected to have a positive effect on company performance. The company's obligations which are carried out by giving more attention to employees (*pawongan* element)

are expected to increase employee morale and comfort in working. This is also in line with the results of (Rustiarini 2010) states that if a company has good social and environmental capabilities, there will be trust from investors who respond positively through increasing the price of the company's shares concerned.

The previous corporate social responsibility activities carried out by the Grand Inna Kuta hotel will be analyzed or tested in accordance with the international tourism code of ethics, national regulation and local regulation that corresponds to local culture.

International Members of the World Tourism Organization (WTO) establish the principles of the World Tourism Code of Ethics. These principles are listed in 10 clauses of the code of ethics for world tourism. Clause 3 of tourism is mentioned as a factor of sustainable development paragraph 1 "All tourism development stakeholders must protect the environment in order to obtain reliable, and sustainable economic growth directed to be able to meet the needs and aspirations of present and future generations in a fair manner". This code of ethics reflects an obligation that must be held by tourism stakeholders regarding their concern for the environment, economy and social affairs. CSR activity itself is a concern for the environment in terms of the ecology, economy, and also social.

The national scale regulation that becomes the reference is the Republic of Indonesia government regulation number 47 year 2012 concerning social and environmental responsibility of limited liability companies which is stated very clearly in clause 2 which states that every company as a legal subject has social and environmental responsibility, which is reaffirmed, every company as a form of human activity in the business sector, morally has an obligation to be responsible for the creation of a harmonious and balanced company relationship with the environment and the local community in accordance with the values, norms, and culture of the community.

In Badung regency regulation number 2 year 2012 concerning tourism, it is quite clearly stated in chapter III about the principle of organizing tourism clause 5 paragraph a which states "upholding religious norms and cultural values as the embodiment of the concept of life in the balance of relations between human and God, the relationship between human and human, then the relationship between human and ecology (Tri Hita Karana)" and also in paragraph d which states: preserving nature and the environment" moreover it is assisted by Badung regency regulation number 6 year 2013 concerning corporate social responsibility which emphasizes clause 1 paragraph 5 states "corporate social responsibility, is the obligation of each company to fund and / or facilitate local government programs that related to improve the quality of people live in the social community, economic and natural environment based on the principle of equality and justice." Based on the explanation from the regional regulations, it can be concluded that each company that was built especially in Badung has an obligation to contribute to the environment, social, and economic aspects.

The implementation of activities carried out in the community environment. In this case, the activity is a blood donor activity has been done by Grand Inna Kuta is one of the movements to foster a sense of concern for fellow human beings (*pawongan*). Blood donation is not carried out arbitrarily, in collaboration with the Indonesian Red Cross (*Palang Merah Indonesia*) in Bali. This blood donor activity has also occurred more than twice and is routinely carried out.



Figure 2. Blood Donor
(Source: Grand Inna Kuta, 2020)

The purpose of this blood donation activity is to help the blood transfusion unit namely the Indonesian Red Cross (Palang Merah Indonesia) and increase the sense of social care from hotel staff to be more motivated to help and share together. The philosophy of blood donation is blood donation constitute the easiest way to share in life. The deepest philosophical meaning, blood donors show that we live does not discriminate against anyone, because with blood donors to share life with all those who need it.

Corporate social responsibility activities, which are subsequently carried out by the Grand Inna Kuta, are beach clean-up (*palemahan*). This activity is routinely carried out by the management of Grand Inna Kuta. This activity, scheduled that is every Friday at 07.00 am. The location of the Grand Inna Kuta hotel is also opposite the beach, which is why the management carries out maintenance by cleaning the beach every Friday as a form of thanks to the environment. (Pereira Moliner et al. 2015) state that the above average business performance incline to do the corporate social responsibility more and proactive to the environment. Nevertheless, green practices with hidden motive could cause negative perception on customer intension to revisit the hotel (Rahman, et al, 2015).



Figure 3. Beach Clean-Up
(Source: Grand Inna Kuta, 2020)

This activity also helps maintain the environment in order to stay clean, also helped cleaning staff that worked for the beach who were tasked with cleaning the beach. This small activity helps to build a sense of trust in the surrounding community, because the company also responsible for the situation around it which in this case is the beach. Therefore, indirectly for the future the reputation of Grand Inna Kuta will be maintained.

Trees planting is also a form of caring for the environment currently planted on the coast. This activity is also routinely carried out although not as often as the scheduled beach clean-up activities at least once in a week. This tree planting activity is usually carried out on Friday to coincide with the beach clean-up activities to build a sense of "natural" owned by Kuta beach. This activity in the case of Tri Hita Karana entered into the relationship between human and the universe (*palemahan*). This green activity will be uploaded to social media to show that the company is care about the ecology. Besides, it will be a plus value for the company because tourist are most likely to visit the hotel that has been doing green practices (Manaktola and Jauhari 2007).



Figure 4. Trees Planting
(Source: Grand Inna Kuta, 2020)

As a company that stands in an area, in addition to thanking the surrounding environment, Grand Inna Kuta also provides funds to Kuta village as the host for providing facilities such as comfort, safety, and infrastructure built on the external hotel. By giving tribute, it is expected that it will also maintain harmony with the local community and those in the Grand Inna Kuta party will be maintained.

The social assistance provided by Grand Inna Kuta is providing some cleaning tools such as brooms and trash bins for temples in Bali. In addition, Grand Inna Kuta also conducts clean-up activities in the temple area. This step is a form of creating harmony between human and human (*pawongan*).



Figure 5. Social Assistance
(Source: Grand Inna Kuta, 2020)

Social assistance activities during the pandemic namely CoVid-19 virus made Grand Inna Kuta move to carry out social assistance activities (*pawongan*). Although the Grand Inna Kuta has given tribute to the traditional village of Kuta, but, activities to help together during the ongoing pandemic also carried out against a background of understanding many parties, especially those working in the tourism industry lost their jobs causing a lack of food in addition, there are also parties who still have to work even though there is a pandemic because the salary is in the form of daily. Therefore, seeing the presence of a CoVid-19 integrated unit officer or post in Kuta, Grand Inna Kuta swiftly provided social assistance that would be distributed by the integrated post officer. According to the result of (Holcomb, et al, 2007) most of the hotel company do corporate social responsibility activities that is related to charitable donations. The social assistance is a good activity however, during the pandemic of covid-19, Grand Inna Kuta internal staff got unpaid leave, in the other hand, Grand Inna Kuta done the charity that affected by covid-19. Though in the end, Grand Inna Kuta provides food for internal staff which can be taken at the hotel's cooperative.



Figure 6. Social Assistance During Pandemic
(Source: Grand Inna Kuta, 2020)

Those corporate social responsibility activity is a small example of what Grand Inna Kuta has done. The activity is carried out consistently and does have its own agenda. In addition to proof the CSR program that held by Grand Inna Kuta corresponds to local culture Tri Hita Karana, Grand Inna Kuta won the Tri Hita Karana awards organized by the Tri Hita Karana Bali Foundation which was held in Denpasar. Grand Inna Kuta won the Emerald class 1 for 4 stars hotel. This shows that corporate social responsibility based on local culture that Tri Hita Karana is going well so that it can reach Emerald 1.



Figure 7. Tri Hita Karana Award
(Source: Grand Inna Kuta, 2020)

Back again to regulators from both international and national because the local regulator has proven that the company is able to carry out its obligations even with local culture Tri Hita Karana. In the code of ethics of international tourism reflects an obligation that must be owned by tourism stakeholders regarding their concern for the environment, economy, and social, in accordance with what is contained inside it. The national regulator stated in the government regulation explains that the company is harmonious and balanced with the environment and the local community in accordance with the values, norms and culture of the community. It can be said, the activities the nature of corporate social responsibility that has been carried out by the Grand Inna Kuta is corresponds as government regulations. The local regulator has also been proven because it can win the Tri Hita Karana Award.

Conclusion

The corporate social responsibility program, which is harmonized with local culture, namely Tri Hita Karana, is done by giving thanks to the environment, giving thanks to the surrounding community or social life. All aspects of Tri Hita Karana have been fulfilled both from the relationship between human and God, human and human, and also human to ecology. Grand Inna Kuta has done 6 CSR activities namely; blood donation, beach clean-up, trees planting, giving tribute to the village, social assistance, and social assistance during pandemic. If linked with the local culture value of Tri Hita Karana, those programs were implicates to the theory and implementation of Tri Hita Karana, where the company try to build a good relation between human and God, human to human, and human to ecology. Tri Hita Karana Award has been given to Grand Inna Kuta management due to those activity. These programs also in accordance with the recommendations of the international tourism code of

ethics, government regulations on tourism, and also the regional regulations of Badung regency.

For further research, does Tri Hita Karana award can be used for a proof that the company have done the CSR program from local regulator? Yet, not all hotels in Bali won the Tri Hita Karana, but the participant have done CSR program. The CSR program that held by the participant maybe in accordance with world tourism code of ethics, national regulator, and local regulator.

Based on the presentation of these conclusions, suggestions can be made in the form of management must remain consistent in carrying out these corporate social responsibility activities and must become the culture of the hotel, when there is a replacement for hotel leaders, these activities can still keep going.

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