

Implementation of green tourism policy strategy of Pt Taco Casa Bali through corporate social responsibility

I Ketut Purna Wirananta^{1*}, Ni Luh Ayu Kartika Yuniastari Sarja²

¹Soul Bites Restaurant Ubud, ²Travel and Tourism Business Study Program,
Politeknik Negeri Bali, Indonesia

Email: ¹wirananta@gmail.com, ²kartikayuniastari@gmail.com



Abstract

Purpose: This article is to explain the implementation of corporate social responsibility (CSR) at PT Taco Casa Bali in carrying out its social and environmental responsibilities to support green tourism.

Research methods: This study is done in a qualitative method in which the data collection was carried out through library techniques and field research in the form of observation and interviews with the Corporate Operations Manager of PT Taco Casa Bali.

Results and discussion: The result of the study shows that the CSR implementation of PT Taco Casa Bali is in the form of fixed and unscheduled activities that support green tourism policies and regulations (people, planet, and profit).

Conclusion: The research is an illustration of how CSR practices in a company should be maximally realized so that in the end both the business and the business environment.

Keywords: corporate social responsibility, policy, green tourism, restaurant

Article History

Received on 10 January 2020

Revised on 3 June 2020

Accepted on 17 June 2020

Introduction

As a business entity, a company is required to produce targeted profits by its capital owners. In addition to the economic side, the company was also asked to commit to acting ethically and contribute to the economic development of the local community or the wider community. The company is expected to act as a social institution to help the community and the government in solving social problem. This social and environmental responsibility is called corporate social responsibility (CSR). Wahyudi, et al. (2008) states that CSR is a company's commitment to carry out its obligations based on the decision to take policies and actions by

taking into account the stakeholders and the environment in which the company carries out its activities based on applicable legal provisions.

Tourism entrepreneurs as one of the tourism stakeholders, have an important role in maintaining environmental and social sustainability even though economically, profit is the main orientation of a business. In the Triple Bottom Line concept, in addition to profit, a company that wants to be sustainable must pay attention to the elements of People and Planet. This concept explains the company in addition to pursuing profit (profit), the company must also pay attention to the fulfillment of the welfare of the people (people) and contribute actively in preserving the environment (planet) (Elkington, 2018; Wibisono, 2007). This concept seeks to measure the level of corporate commitment to corporate social responsibility and its impact on the environment over time. Stoddard, et al. (2012) recommends the Triple Bottom Line as a framework for sustainable tourism development.

Azam, et al (2011) mentions sustainable tourism practices that take into account the mutual needs of the ecology and environment, local communities, business-economy and tourists themselves as green tourism. Mudana (2020) calls green tourism a practice of ecological, business-economic, and socio-cultural sustainability in tourism. In tourism companies, CSR can be said to be part of green tourism from the aspect of socio-cultural sustainability as a result of the process of economic sustainability through the profits generated.

In practice, Hadi (2009) mentions that social responsibility is still marginally positioned and tends to lack proper appreciation. Such a context occurs at least triggered by conditions, namely: (1) still not uniform and clearly defined boundaries of social responsibility; (2) the company's opportunistic attitude, especially social responsibility contains significant costs that do not necessarily have relevance to the achievement of economic motive objectives; (3) lack of stakeholder response so it does not create social control even though the community is a social agent; (4) support of weak legal system; (5) unclear operational standards; (6) unclear evaluation measures. Such a context, relatively creates the practice of corporate social responsibility as a polish, although there are some companies that are committed and serious in carrying out social responsibility strategies. The realm of social responsibility contains a very broad and complex dimension. Besides that, social responsibility also contains very different interpretations, especially related to the interests of stakeholders.

Various regulatory policies and strategies related to CSR to support sustainable tourism development have not received the full support of all tourism stakeholders, especially in Bali. Research result of Putra, et al. (2019) shows that CSR activities are still considered only as non-strategic philanthropic activities and Bali tourism stakeholders have a low concern for corporate CSR.

This article discusses the implementation of Corporate Social Responsibility at PT Taco Casa Bali deals with green tourism policy and regulation strategies both by local, national and international governments. The company which operates in the culinary business began in Ubud in 2010 with an initial number of employees as many as 12 people and now continues to grow with 97 employees with 2 branches located in Petitenget and Canggu. As one of the important components of the tourism industry with a target market for foreign and local tourists, Taco Casa Restaurant plays an important role in supporting the development of the tourism industry.

Based on this background, this research focuses to discuss how the implementation of Corporate Social Responsibility of PT Taco Casa Bali relates to green tourism policy and regulation strategies both local, national and international as the main problem.

Research methods

This article uses a qualitative descriptive method. Qualitative descriptive research seeks to describe all the symptoms or conditions that exist, namely the state of symptoms according to what they were at the time of the study (Mukhtar, 2013).

Data collection in this article was carried out with library techniques related to green tourism and CSR policy and regulatory strategies, and field research techniques in the form of direct observation and interviews with Edi (40 years) as Corporate Operations Manager at Taco Casa Canggu. Referring to Miles and Huberman (2014), the qualitative data analysis technique is through data reduction, data presentation, and conclusion.

Results and discussion

Implementation of CSR activities that develop in Indonesia, in accordance with government regulations in Law No. 40 of 2007 concerning limited liability companies in article 74, that CSR activities or social responsibility is an activity that is required and carried out based on propriety and fairness in accordance with government regulations. The main focus in the law is article 74 which requires more on a business activity in the field or relating to natural resources to carry out corporate social responsibility activities. Republic of Indonesia Government Regulation No. 47 of 2012 concerning Social and Environmental Responsibility of Limited Liability Companies Article 2 states that every Company as a legal subject has social and environmental responsibility. While in Article 4 paragraph (1) Government Regulation No. 47 of 2012 states that social and environmental responsibility is carried out by the directors based on the Company's annual work plan after obtaining approval from the Board of Commissioners or General Meeting of Shareholders (GMS) in accordance with the Company's articles of association, unless otherwise stipulated in legislation. It is explained that the government regulation does not clearly state how much the obligation of a company must set aside revenue for CSR.

In addition, following up the policy of the United Nations World Tourism Organization (UNWTO) as a UN agency that handles tourism together with the United Nations Environment Program (UNEP) issued a policy on sustainable tourism, Indonesia as one of its members, adapted it by establishing policies and implementing regulations green tourism by issuing Law No. 10 of 2009 concerning tourism. Bali as one of the best destinations in the world issued Regional Regulation No. 2 of 2012 concerning Bali Culture Tourism in supporting efforts to develop green tourism. Bali even has a road map for sustainable tourism development called the Green Growth 2050 Roadmap for Bali Sustainable Tourism Development.

At the micro level, green tourism in Bali is carried out through related industrial networks. Related to this study, PT Taco Casa Bali is a business entity with a business unit engaged in the culinary field under the name Taco Casa Restaurant. Taco Casa restaurants are located in three locations namely Ubud, Seminyak and Canggu, with a total of 97 employees with various educational backgrounds. The vision of this company is to be a strong establishment that offers customers fresh, delicious Mexican flavors, great value for money and all topped off with quick-friendly service, with Company contents as follows: (1) To delight and nourish our customers with fresh and delicious Mexican flavors at a reasonable price with excellent quick-friendly service. (2) To generate a sustainable profit growth. (3) To create job and provide all staff the tools to be their best in a friendly, co-operative and rewarding environment. (4) To create long-term relationships with our business partners. (5) To contribute to our society through initiatives that align with our corporate social responsibility program.

Based on the results of an interview with Edi, the Corporate Operations Manager of PT Taco Casa Bali explained that CSR activities had started running since the first year the company was running, precisely starting in 2010. It was further explained that the budget provided for CSR activities was included in the sales and marketing budget, the amount of which ranged from 2.5 - 3% of every year. The percentage is calculated from net sales. While the division for CSR activities themselves are not explained in detail from the existing budget. Most CSR activities are not publicized to outsiders. This is done because according to him, various activities related to CSR in various forms are considered social activities based on sincerity and volunteerism.

Following are the data of PT Taco Casa Bali has been carried out so far (Table 1).

Table 1. CSR activities of PT Taco Casa Bali

CSR activities	Schedule of activities
Donate to Bumi Sehat Foundation	Scheduled
Full tuition fees/ foster parents to middle and high school students	Scheduled
Provision of 500 avocado tree seedlings in Pohsanten Village, Mendoyo, Jembrana	Unscheduled
Donations to needy parents and orphanages	Unscheduled
Opportunity for managerial and operational practices of restaurants to educational institutions	As requested
Reception of hospitality student visits	As requested
Donate improvement of road access in Kubu, Karangasem	Unscheduled
Donate in the form of funds when there are religious events	Unscheduled
Distribution of 500 kg of rice during the Covid-19 pandemic	Unscheduled
Basic food donations to victims of the Gunung Agung Eruptions	Unscheduled
Donations from the Lombok earthquake	Unscheduled
Donated clothes <i>pecalang</i>	Unscheduled
Contribution to sick/ hospitalized people	Unscheduled
Donation of 200 clean water pipes in the district of Kubu, Karangasem	Unscheduled
Sponsorship of social activities/ events	Unscheduled

(Source: Edi, Corporate Operations Manager at PT Taco Casa Bali, 2020)

Based on the vision and mission statements as well as the data in Table 1, it's found that PT Taco Casa Bali shows the company's commitment to environmental, social and cultural preservation and community economic empowerment. This is in line with Bali Provincial Regulation Number 2 of 2012 concerning Culture of Bali Tourism which implements the philosophy of Tri Hita Karana (Chapter II article 2), efforts to preserve Bali's natural environment as a basis for sustaining the life of Balinese people and culture that is sustainable

(Chapter III, article 4 paragraph c), tourism entrepreneurs must have a vision of maintaining Balinese culture; and participate in the development of Balinese culture (Chapter IV, article 8, paragraphs b and c).



Figure 1. Contribution of Lombok earthquake natural disasters
(Source: Edi, Corporate Operations Manager of PT Taco Casa Bali, 2019)

In terms of budgeting for CSR activities, the results of this study indicate that there is a lack of clarity of the percentage of the funds allocated for CSR by PT Taco Casa Bali, either from sales or company profits. This uncertainty is related to CSR as a volunteer activity. UU no. 32 of 2009 concerning protection of environmental management, Law no. 25 of 2007 concerning investment and government regulations as referred to in article 74 paragraph (1.2 and 4) of the law regarding the PT which only requires social and environmental responsibility, but does not clearly state the percentage that must be set aside for CSR.

Conclusion

CSR is a form of corporate social and environmental responsibility. PT Taco Casa Bali has a commitment to green tourism policy and regulation strategies which are implemented through CSR activities but do not yet have a definite budget for CSR activities each year. This is because CSR activities are voluntary activities and legally there are no definite and detailed rules to regulate the amount of CSR funds that must be spent by each company.

According to the results, discussion and conclusions above, the author recommends that CSR funds management should more organized and measured and there should be a separation from the beginning between the sales and marketing budget and the CSR budget. Furthermore, regardless of the scale of CSR Activity, it should be published transparently. This will improve the company image by proving that the company has provided and allocated their necessary CSR funds and showing that the company demonstrates attentive concern for the social and environmental aspects of society. Additionally, the existence of a clear and

detailed law about the regulation of CSR funds need to be set in place as a universal reference to allocate budgets for CSR by companies as deemed necessary.

Acknowledgement

The writer would like to send his gratitude to Ketut Budarma for his supervision in this article until its publication.

References

- Azam, M., & Sarker, T. (2011). Green Tourism in the Context of Climate Change Towards Sustainable Economic Development in the South Asian Region. *Journal of Environmental Management and Tourism (JEMT)*, 1(3), 4–13.
- Elkington, John. (2018). "25 Years Ago I Coined the Phrase "Triple Bottom Line". Here's Why It'S Time to Rethink It", *Harvard Business Review*, June 25.
- Corporate Social Responsibility. Mudana, I Gede. 2020. *Persoalan Filsafat Ilmu Terapan Pariwisata, Konteks Pengembangan Magister Terapan Pariwisata*. Denpasar: Penerbit STIKI
(https://play.google.com/store/books/details?id=CmDXDwAAQBAJ&rdid=bookCmDXDwAAQBAJ&rdot=1&source=gbs_vpt_read&pcampaignid=books_booksearch_viewport).
- Hadi, N. (2011). Corporate Social Responsibility (CSR) Edisi 1. *Jakarta: Graha Ilmu*.
- Miles, Matthew B & A Michael Huberman. 2014. *Qualitative Data Analysis*. London: SAGE.
- Mukhtar. 2013. *Metode Penelitian Deskriptif Kualitatif*. Jakarta : GP Press Group
- Putra, K. D. C., Putra, I. K. M., & Kencanawati, A. A. A. M. (2019). Communicating CSR on Tourism Industry; a Preliminary Case Study of Bali. *Jurnal ASPIKOM*, 3(6), 1182. <https://doi.org/10.24329/aspikom.v3i6.342>
- Stoddard, J. E., Pollard, C. E., & Evans, M. R. (2012). The Triple Bottom Line: A Framework for Sustainable Tourism Development. *International Journal of Hospitality and Tourism Administration*, 13(3), 233–258. <https://doi.org/10.1080/15256480.2012.698173>
- Wahyudi, Isa dan Busyra Azheri. 2008. *Corporate Social Responsibility: Prinsip, Pengaturan dan Implementasi*, Malang: In-Trans Publishing.
- Wahyudi, Isa dan Busyra Azheri. 2008. *Corporate Social Responsibility: Prinsip, Pengaturan dan Implementasi*, Malang: In-Trans Publishing.
- Wibisono, Yusuf. 2007, *Membedah Konsep & Aplikasi CSR (Corporate Social Responsibility)*. Jakarta: PT Gramedia.

Government Laws and Regulations

- Undang-Undang No. 25 Tahun 2007 tentang Penanaman Modal.
- Undang-Undang No. 40 Tahun 2007 tentang Perseroan Terbatas.
- Undang-Undang No. 32 Tahun 2009 tentang Perlindungan Pengelolaan Lingkungan Hidup.
- Peraturan Pemerintah Republik Indonesia No. 47 Tahun 2012 tentang Tanggung Jawab Sosial dan Lingkungan Perseroan.
- Peraturan Daerah Provinsi Bali Nomor 2 Tahun 2012 tentang Kepariwisata Budaya Bali.