

Corporate Social Responsibility in Indonesia: A Transformation of Local Wisdom Perspectives

Djufri¹, Median Wilestari², Molina³

¹STIE International College, Jakarta, Indonesia

²As-Syafi'iyah Islamic University, Jakarta, Indonesia

³National University, Jakarta, Indonesia

Email: djufririvai@yahoo.co.id

Abstract

This paper seeks to explore the motivation of management to conduct corporate social responsibility (CSR) activities and disclose it in financial reports from their understanding of local wisdom, using Indonesian companies as a case study. The methodology was carried out through several steps: 1) Survey method by sending questionnaires to selected companies; 2) Content analysis method to determine the scores of CSR disclosures based on the required disclosure standards; 3) Analyzing the results of the company's financial performance to its CSR activities. The empirical evidence proofing that CSR is the transformation of local wisdom into actions and strategies of the company even has not fully become the company's core program. But there are limitations of this study, including the subjectivity of respondents' views concerning the cost of CSR. In addition, it needs to be further clarified because interview (qualitative) data are still very limited. The paper enhances the altruistic attitude shown by the company's management about CSR implementation from their understanding of the local wisdom as a contribution. Therefore, it can be recommended to be a national CSR movement in terms of sustainable development in Indonesia for the next.

Keywords: *Corporate Social Responsibility, Local Wisdom, Altruism, Transformation.*

A. INTRODUCTION

Corporate Social Responsibility (hereafter referred to as CSR) is a unique phenomenon and has become one of the trending topics in this decade. It has been empirically grounded and insights into an emerging movement across Europe (Idowu et al., 2015). It has also become a trend in Asia (Low et al., 2014), also as something powerful in the USA (Negash, 2012), as well as a company's reputation in Africa (Ioannou et al., 2014). The phenomenon of CSR not only touches the business world and the economy massively, but it also becomes part of the talks and developments in business cases in many countries (Kuznetsov et al., 2009; Tang & Li, 2009; Catcher & Hegendorff, 2012; Buccina et al., 2013; Choopa & Sriramesh, 2013; Zheng et al., 2014; Ciulu et al., 2015).

Research on CSR in recent years deals with concepts and theories and implementation issues in the form of models and measurement (O'Connor et al., 2008; Slack, 2012; Jonikas, 2014). Its impact on financial performance (Putrevu et al., 2012; Filatotchev, 2015; Cheng et al., 2015) influences on company's reputation (Linthicum, 2010; Kirkbesoglu, 2013; Kim, 2014; Saedi, 2015; MinWang et al., 2015), as accountability to stakeholders (Costa and Menichini, 2013; Park et al., 2014; Dong et al., 2014; Yu and Choi, 2014). Furthermore, CSR also triggers non-productive activities, such as tax avoidance, tax management, earning management, and irresponsibility (Sikka, 2010; Huseynof and Klam, 2012, Gao and Zhang, 2013; Windsor, 2012; Murphy and Schlegelmilch, 2013).

Therefore, CSR is no longer seen as an option but is a demand and a duty to all parties, states, and society, including the business world. Many countries have affirmed it mandatory for CSR implementation for the company and its disclosure in financial reporting (Meng et al., 2012; Kansal et al., 2014; Reverte, 2014; Kriyantono, 2015). This action is based on an awareness that the company's success and responsibility are determined not only by the results obtained at one particular time but also by the sustainability generated in the time and the period to come (Aguinis, 2012; Ramanna, 2013).

CSR is a global issue, but its development is different in every country. Each country has a diverse culture, cultural institutions, and application of rules that affect the implementation of CSR (Zu, 2009; Ramasamy, 2013). The challenge is to align global interests with local needs through the concept of CSR (Filatotchev, 2015). Many of the factors that affect the implementation and disclosure of CSR in the company, such as regulation (Meng et al., 2012; Khandelwal & Bhaksi, 2014; Reverte, 2014), pressure from the stakeholder (Costa and Menichini, 2013; Park et al., 2014; Dong et al., 2014; Yu and Choi, 2014) and the willingness and wisdom of the company's management (Murphy and Schlegelmilch, 2013; Borghesi et al., 2014). These factors are motivations to carry out the company's responsibility to be good corporate citizenship.

The substance of CSR implementation is the company's excellent conduct to society and the environment (Zu, 2009). Society is a stakeholder for the company, perceived as a group of people around the company who feel the impact directly or indirectly of the company's operational activities (Dong et al., 2014; Dhaliwal et al., 2014). The environment comprises nature and all the surrounding life resources that support human existence, including the land, water, air, and all the plants and animals between them. The company is not only responsible for its business but also for the environment and the surrounding community. This is a fundamental principle of the concept of CSR; profit, people, and planets (WBCSD, 2001).

World Culture Forum (WCF, 2016) resulted in an agreement that culture is an integral part of the development of world sustainability by transforming local wisdom in various countries into global values. Local wisdom is widely interpreted as a system of order that lives in society, social, political, cultural, economic, and environmental.

In a more specific approach, local wisdom is a strategy for the community to meet the needs and face life issues (Wagiran 2011).

Some researchers argue that the cultural and social norms in society embody local wisdom that affects the implementation of CSR activities (Kriyantono, 2015; Morrow, 2014; Muthury & Gilbert, 2011; Ramasamy, 2013). For example, culture and social norms are embedded in the spirit of cooperation in Indonesia, the understanding of Confucius and Guanxi in China, and the spirit of Bushido in Japan is perceived as the virtue of life. In Indonesia, in particular, cultural and social norms as parts of local wisdom are pervasive. Indonesia is a country with approximately 1,340 ethnicities with 1,211 regional languages (BPS Census, 2010). Each region has its uniqueness in the system's order and life in its society as the form of local wisdom passed down from generation to generation. Local wisdom is ingrained in folklore, proverbs, songs, and people's games. The substance is found in the community through experience and is integrated with an understanding of the local culture and circumstances (Baedowi, 2015).

CSR is a global issue in its application to follow local developments and needs. This study aims to determine the extent to which the understanding of the culture and local wisdom of society in Indonesia influences and plays a vital role in the decision-making of management and implementation and disclosure of CSR in companies in Indonesia. Of the many forms of local wisdom that live and thrive in Indonesian culture and society, the researcher chose the local wisdom relevant to CSR's spirit and courage, which has become the most widely practiced CSR activity model, called philanthropy. Some sayings are often used as courage for giving and sharing "the upper hand is better than the lower hand," and "if the right hand gives, a left-hand does not need to know." This study develops Harmoni's (2011) research which finds a new theme, as stated above, in terms of management consideration in communicating CSR on a company website page.

People in Indonesia consider religion as the guideline of life in which they believe that every good will get a reward from God. This is also another form of local wisdom understood by the people and all religions in the country. CSR is a good deed of the company to society and its environment. The invisible hand of God is believed to be working to reciprocate the good. A term similar to that of Adam Smith (1902) but with a different interpretation. This study also aims to investigate the influence of CSR as a good deed of the company to the environment and its stakeholders by paying attention to the indication of value-added in the form of performance improvement and the company's assets perceived as the goodness of God's invisible hand.

This research was conducted through a survey and quantitative analysis. The survey was used to obtain information and a direct understanding of the key personnel of CSR implementation by providing a list of questions about the desire and motivation of CSR implementation and its disclosure by the company.

Quantitative analysis was employed to gain reinforcement from secondary data on the collected responses and empirical evidence obtained from company data. The method was expected to provide research results that can provide a valid

explanation of the implementation of CSR in terms of local wisdom perspective and a proof of the contribution of 'God's hand' to all good things done by the company. This is expected to contribute to navigating in an uncertain time for socio-economic justice to ensure the role of Islamic business ethics in all company's activities.

This paper is divided into five sections; introduction, literature review, research methodology, results and analysis, and conclusion.

B. LITERATURE REVIEW

1. CSR, Rules, and Local Wisdom

Many definitions have been proposed since Bowen (1953) first introduced the concept of CSR, but the meaning is more tailored to the interests of stakeholders, corporations, and social issues (Hopkins, 2006). There are four groups of social problems in CSR implementation, including economic, political, social, and ethical society (Bowen, 1953; Carroll, 1999; Friedman, 1970; Kotler & Lee, 2005). Costa and Menichini (2012) argue that the increased commitment to CSR implementation can only be achieved by transforming CSR into an embedded culture as a principle that affects the activities of the organization (the company). The more companies realize and make the principle of CSR a liability and a necessity, the broader the form of profit received by the company (Ardianto & Machfudz, 2011; Urip, 2014). In this sense, CSR has grounded perspectives that economic, social, and environmental objectives are part of responsible corporate operational objectives. The advantages gained as a reliable company is a competitive advantage from its acknowledged ethical conduct, productivity efficiency, company reputation, customer loyalty, and easier access to financial resources (Costa and Menichini, 2012; Aravossis et al., 2006; Garriga and Mele, 2004). In this study, the CSR definition referred to as presented in Green Book CSR is a concept according to which a company voluntarily decided to contribute to a better society and cleaner environment (European Commission, 2001).

The understanding of CSR theory was first popularized in the 1950s. CSR is part of the vision of making Americans better if economic and social goals can be realized together (Carroll, 1999). In the 1960s and 1970s, the understanding of the definition continued to evolve, and from the 1980s, empirical research on the application of CSR became a central theme. From the 1990s to the present day, research on CSR has grown not only to address the major themes of CSR related to concepts, theories, business ethics, and financial measurements but is a thematic and conceptual framework in economics (Perry and Tower, 2009; Durmaz et al., 2011; Buoten et al., 2011; Kemper, 2013; Tounorist, 2015).

One prevalent theory considered the basic concept of CSR is Stakeholder Theory (Zu, 2009; Tang and Tang, 2011; Yu and Choi, 2014). Researchers widely use the theory to explain the understanding of corporate social performance because the company should pay attention to the interests of shareholders and the interests of stakeholders of the company (Omran, 2015). Stakeholders are all groups and parties that can influence and be influenced by an organization's decisions, policies, and operationalization (the company). Therefore, in the orientation and implementation

of CSR, stakeholder roles and perceptions become the reference for successful activities (Costa and Menichini, 2013).

The Government of Indonesia has issued a decree establishing a mandatory approach to CSR implementation (Kriyantono, 2015). The mandatory stipulation is outlined in the regulations issued by the Government of Indonesia with Law No. 40 of 2007 and then reinforced by Bapepam Regulation No.X.K.6 of 2012 regarding the submission of annual reports of companies required to disclose the implementation of CSR activities.

There are two conventional models that companies do in CSR activities: activities with the concept of philanthropy and concepts with the sustainability model. The company's activity with the philanthropy model is more understood as CSR implementation (Balakrishnan, 2011; Slack, 2012; Kahn, 2013.) The activity is based on the understanding that CSR is a policy of generosity given by the business to society. The second assumption is that this donation can only be provided after the establishment of a company grows and makes a profit.

Each country has its local wisdom that is part of the dynamics of community life and perspective in implementing economic action. In China, there is a philosophy of Confucius which states; If someone wants wealth, then let them get it and use it responsibly. This statement is considered the initial concept of CSR in China (Zu, 2009). Then Morrow (2014) found that CSR practices in China are influenced by Guanxi (business relationships among Chinese ethnic), while in America, CSR is more affected due to legitimacy issues, reputation protection, and part of business strategy (Kemper et al., 2013; Linthicum et al., 2010)

Indonesia is rich with local wisdom, and it can be found in every province. The forms of the local wisdom can be tradition, ritual, expression, or poems. Everything is loaded with good values that outline human relationships, humans with nature, and humans with God (Keraf, 2011).

Local wisdom is an identity or cultural personality of the nation that causes the country to be able to absorb and cultivate culture according to the character and ability of its community (Ayatrohaedi, 1986). Local wisdom is the human intelligence possessed by certain ethnic groups obtained through the experience of the neighborhood (Rahyono, 2009). Local and cultural wisdom has the content of truth values, good values that can enrich the sense of justice, responsible ability, independence, harmony, honesty, exemplary, and manners. These values are generated from the local cultural potential that is universal so that these values can be used as shared values by anyone regardless of place and time.

Local wisdom, in general, can be seen through the understanding and behavior of society. Such knowledge and behavior can be seen through (1) locally developed norms, such as restrictions and obligations, (2) community rituals and traditions, (3) folk songs, legends, myths, and folklore that usually contain lessons or specific messages, (4) data and knowledge information collected from the elders of the community, spiritual leaders, (5) ancient manuscripts or books believed by the community (7) how local communities (communities) fulfill their daily life, (8) tools

and materials used for specific needs, and (9) natural or environmental conditions commonly used in daily life (Sartini, 2004).

Local wisdom in the language is often referred to as words of wisdom. For the people of Java, which is the largest ethnic group in Indonesia, with a population of about 41% of the people Indonesia (BPS Census, 2010), the words of wisdom are derived from their ancestors who taught the values of life about how to behave among humans and the treatment of nature for the preservation of the environment. For example, a phrase states; *Ibu Bumi, Bapak Aksa*, meaning mother is the earth, and the father is the sky. Earth is the symbol of a mother giving fertility to the land as a place of agricultural activity. The sky symbolizes the father who provides blessing through the rain. It teaches how to love, protect, and respect the earth and the heavens and the treatment of both parents.

2. The upper hand is better than the lower hand; the right hand gives, and a left hand does not need to know

Among the sentences that became the proxy for local wisdom associated with the concept of CSR in this study are; "The upper hand is better than the lower hand" and "if the right hand gives, a left-hand does not need to know." This phrase is relevant to the spirit of philanthropy that characterizes and models CSR implementation, which is primarily done in developing countries, especially Indonesia.

The concept above is understood by most Indonesian people derived from the hadith of the Holy Prophet Mohammad: "The upper hand is better than the lower hand. The hand above is the giver, and below is the needy (HR. Bukhari)."

The understanding of this hadith is analogous to the concept of CSR implementation. The company is a party capable of following the above-hand criteria. This is reflected in the management's decision and judgment. This motivation should be grown as part of the company's management principles to become the motivation and organizational culture that adds value.

3. Disclosure of CSR and the God's Hand phenomenon

Disclosure and communication of CSR in the form of submission of written information become the obligation that the company must do. This information is a form of corporate communication with stakeholders (Gordon et al., 2012; Mzembe, 2014; Kim, 2013; Dhaliwal, 2014; Park et al., 2014). Several means usually become a communication medium, including websites, product packaging, advertisements, and company reports (Duhe, 2008; Harmoni, 2011; Michelon, 2014). In addition, disclosure of information may be submitted as part of the company's annual financial report or as a separate report called a sustainability report. The means and format of presentation of information on CSR are stipulated in the Bapepam Regulation No. X K.6 of 2012 is then revised to OJK Regulation no. 29 of 2016.

The company conveys the information on CSR activities undertaken to ensure compliance with regulations as part of safeguarding and enhancing the reputation and legitimacy of stakeholders (Bae, 2006; Hillenbrand, 2009; Meng et al., 2012;

Kirkbesoglu, 2013). In addition, signaling theory explains that information as communication signals stakeholders about the company's ability to improve financial and non-financial performance (Mahoney et al., 2013; Lys et al., 2015), which should be done optimally and responsibly.

C. METHOD

This study was carried out through several steps:

1. Survey method; sending questionnaires to companies listed on the BEI. The company selection was based on the following criteria; 1) consistent annual report submission containing CSR disclosures starting in 2017. 2) The company has an email address or public relations email contact. Of the 97 emails sent to the selected companies, there were 42 email responses received.
2. Content analysis method; on CSR information disclosure in company annual report.
3. Determining the scores of CSR disclosures by computing the measurement index based on the required disclosure standards in government regulations (Bapepam X.K.6 / 2012 regulation).
4. Analyzing the results of the company's financial performance for a group of companies divided according to its CSR activities

D. RESULT AND DISCUSSION

This study aims to examine the understanding of local wisdom that affects decision-making management in implementing CSR activities and its disclosure in the financial reports. There have been several studies carried out to provide empirical evidence that CSR has a positive and significant impact on factors favorable to the company, including accountability to stakeholders (Tang and Tang, 2012; Skouloudis et al.; 2012; Gordon et al., 2012; Costa and Menichini, 2013; Yu and Choi, 2014), legitimacy from the government (Kim et al., 2010; Meng et al., 2012), corporate reputation (Truscott et al.; 2009; Duhe. 2009; Mitra, 2011; Maden et al. 2012; Park et al., 2014), the internal solidity of the company (management and employees) (Bakos; 2014; Hoejmoose, 2014; Kirkebesoglu, 2013; Craven, 2006); and improvement of financial performance (Agan et al., 2014; Lu et al., 2014; Dhaliwal, 2014; Jo and Harjoto, 2011). From a religious perspective, all these things are called blessings (benefits that give goodness). Blessings will bring salvation and prosperity, and it is believed to be given only by the invisible hand, the hand of God.

This study provides empirical evidence that CSR is the transformation of local wisdom into actions and strategies of the company to gain a blessing from the hands of God. The research was carried out through a survey method, content analysis, and comparative analysis. The survey was done to confirm the issues discussed, and the answers to questions were given in Likert scale format between 1 and 5, ranging from 'strongly disagree' to 'strongly agree.'

The measurement to calculate the extent of CSR corporate disclosure was carried out with the model developed by Meng et al. (2012). Content analysis was

utilized by adjusting the CSR disclosure information submitted by the company in the annual report with the disclosure standard outlined in Bapepam Regulation No.X.K.6/2012. The assessment was given a 1 to 3 for all disclosure aspect groups, including environmental, economic, social, and product responsibilities. Score 3 is given if the disclosure for the aspect is complete with cost information, score 2 is for full disclosure without cost, and score 1 is for incomplete disclosure.

Table 1 describes the respondent's answers with the average score obtained on a scale of 1 to 5, with the general conclusion that CSR implementation is an activity received and done well by the companies in Indonesia.

The level of appreciation given by the company to the implementation of CSR as mandatory for public companies in Indonesia is relatively high (value of 4.13 on a scale of 5). Regulation is an influential variable for pressuring a company to implement action (pressure legitimacy theory) (Meng et al., 2011; Kandelwal, 2014; Reverte, 2014). Corporate management is also aware that CSR is indeed part of the social responsibility that is inseparable from the company's operational activities (Kemper et al., 2012; Mzembe; 2011; Kirkbesoglu, 2013; Bakos, 2014). The company must be a good corporate citizen and make a real contribution to society (Nicolau, 2008; Lin Hi & Muller, 2013; Oh et al., 2013)

Table 1 shows that CSR in Indonesia represents local wisdom through charity; "The upper hand is better than the lower hand," as evidenced by the highest average score (4.24) of all statements that motivate the company to do CSR. These results support Kriyantono (2015) expressed that local culture and wisdom positively influence CSR implementation in Indonesia. Understanding local wisdom makes management more likely to make decisions in CSR implementation (Morrow,2014; Muthuri and Gilbert, 2011; Simon and Fredrik, 2009). Local wisdom also affects consumers to support companies that implement CSR (Rasamany et al., 2013). CSR is the transformation of local wisdom into a global issue.

Although CSR is agreed upon as an activity program that must be implemented, in its implementation, CSR has not fully become the company's core program. CSR does not include information that is optimally expressed as the vision and mission of the company (score obtained 3.09). Some companies have incorporated CSR as the core program in corporate strategy and allocated a budget for its implementation (score 3.02). However, this mostly remains incidental budgeting for CSR activities.

Company management believes that CSR is part of the company's efforts to enhance the company's reputation and gain legitimacy from the government and credibility in the eyes of the community (3.94). This result supports the findings of Bramer and Pavelin (2004); Shah and Shen (2010); Maden et al. (2012); Park et al. (2013); Kriyantono (2015).

The original finding of this research is the altruistic attitude shown by the company's management about CSR implementation. The local wisdom of 'upper hands are better' is accepted as a concept underlying corporate CSR. The obligation to implement CSR is no longer a debatable discourse, but management expects there are

government incentives and concerns to motivate companies in the implementation of CSR (score 4.12). Tax incentives may be a solution to tax evasion problems and tax management associated with CSR (Sikka, 2010; Huseynov, 2012). The appreciation given by management to make CSR a national movement is relatively high (3.95). This means that Indonesia is ready to become a country with environment-friendly and social companies.

For the research results related to CSR disclosure, the interesting finding of enthusiasm for delivering CSR to stakeholders is relatively high (4.02). However, the disclosure material is still limited to not entirely transparent information. Disclosure of budgeting and costs for CSR has not been fully approved as the delivered information. CSR submission format implemented in sustainability reporting is still limited and voluntary.

The phenomenon of this limitation in CSR disclosure is deepened by analyzing the tendency of CSR disclosure. By conducting a content analysis on 332 companies delivering CSR disclosures in annual reports from 2012 to 2014, the disclosure tendencies were revealed by comparing the disclosure score from one year to the next. The results obtained explain that 225 companies (67.60%) tend to increase CSR disclosures since the beginning of the disclosure period, 81 companies (24.40%) hold disclosure substance that tends to remain fixed, and 26 companies (7.80%) tend to reduce the importance of disclosure information submitted from the previous year.

This study confirms and develops the results of Harmoni's (2011) research that there is a concept of local wisdom that emerged as a new theme in communicating CSR. The interview results confirmed the statement that "if the right hand gives, the left-hand does not need to know." This statement is authorized as management's consideration to not fully convey all information on CSR activities. This tendency is seen with the decrease in measurement score of disclosure submitted by 26 companies (7,80%) as the samples in research. These findings need to be further clarified and cannot be expressed as a general phenomenon because interviews (qualitative) data are still minimal.

This study also aims to investigate the influence of CSR as an excellent corporate action on the environment and its stakeholders that will bring blessing. Blessings are the invisible hands of God and work as a result of the good of CSR that the company does. Empirical proof of this is done by analyzing the company's financial performance data. Of the 332 companies surveyed, 20 were grouped with the highest CSR measurement (High CSR) and 20 with the lowest CSR scores. In addition, several indicators of the reputation of financial performance during the period 2017-2019 were analyzed to develop both groups of companies. Data on company performance in two CSR reputation groups are described in Table 2.

The research findings in Table 2 show that in the group of companies with high levels of CSR disclosure, all financial performance indicators look better than those with low levels. In addition, it is generally stated that improved welfare is better in companies with high CSR. These results are perceived as God's blessing and proof that CSR brings better returns for long-term corporate sustainability.

Table 1. Scoring of Questionnaire Results on CSR

I. Corporate CSR Motivation	Mean score
Your company implements CSR because of the regulation that the company is obliged to implement CSR	4.13
Your company implements CSR because management understands that CSR is a social program that becomes the responsibility of the company	4.15
CSR is the embodiment of the concept that the "upper hand is better than the lower hand"	4.24
CSR is embodied in the vision and mission of your company	3.09
CSR activities are part of an integrated business plan and strategy in your company's operational activities	3.02
Your company creates budgets and plans for CSR programs as part of the company's annual work program	2.95
By implementing CSR, your company is improving its legitimacy and reputation	3.94
CSR disclosures provide positive signals from corporate stakeholders for your company's performance appraisal	3.87
II. Management Altruism	Mean Score
The concept of "upper hand is better" should be understood and implemented by the company	4.11
CSR activities are socialized to all employees and stakeholders of the company	4.02
The government enacted a law requiring all companies to engage in CSR activities	3.36
The amount of budget allocation for CSR activities are defined in the law	3.32
CSR activities will not affect the allocation of the company's business investment	3.75
The costs for CSR activities are part of the company's long-term investment (Investment center)	3.67
The government provides incentives (rewards) to companies that implement CSR, such as tax reduction or fiscal correction The CSR program is prepared and implemented based on a survey of community needs analyzed and determined by the company following the company's planned activities	4.12
The CSR program is planned and implemented based on community demand proposals, adjusted to the CSR budget already allocated by the company	3.68

The form of CSR activities that a company should do is philanthropy; such as social activities, donations, and natural disaster relief	3.88
CSR activities that the company should do are a sustainable movement by implementing all activities including CSR, namely economic assistance, nature and environment conservation, self-reliance training for the community as well as consumer loyalty improvement	3.60
CSR becomes a national movement	3.95
III. CSR Disclosure	Mean Score
The company communicates CSR activities to stakeholders	4.02
Disclosure of CSR is delivered maximally and comprehensively	3.57
The CSR disclosure information is tailored to the established standards and rules	3.84
Disclosure of CSR is carried out on all existing means of communication (annual reports, company pages/websites, product advertisements, social media)	4.08
The CSR disclosure format is in the form of Sustainability Reporting; part of a report that is not separate from the annual report	3.68
Disclosure of CSR activities also includes submitting allocations and realizing costs incurred	3.46
The CSR cost and budget accounts are calculated separately as a percentage of the allowance for profits	3.41
Disclosure of CSR is complemented by an evaluation of the impact of the activities on stakeholders	3.37

Table 2. Data on the development of the company's financial performance implementing CSR in the period 2017-2019

Measurement of Financial Performance	High CSR Company	Low CSR Company
Income	14.50%	6.00%
Net profit	15.00%	(14.50%)
Total Asset	17.50%	11.50%
Equity	17.00%	19.00%
Profits per Share	14.50%	(20%)
Market Capitalization	16.00%	5.00%
Profit Margin against Revenue	17.00%	5.00%
Profit Margin against Assets	11.50%	4.00%
Profit Margin on Equity	24.50%	10.00%

E. CONCLUSION

This study provides empirical proof and contributes some information that can be used for further studies, including:

1. Most companies in Indonesia are eager to implement CSR, motivated by the spirit of local wisdom "the upper hand is better than the lower hand. This is measured from the average value of CSR motivation at level 4.11 on a five scale.
2. The companies do not object to any laws governing CSR and the costs allocated for CSR. Companies want incentives that can increase the motivation of CSR implementation, such as ease of tax issues. Companies support if there is a national CSR movement.
3. For CSR disclosure, companies are guided by government regulations (Bapepam X.K.6/2012 regulation). But there is no guideline yet about CSR costs as consequences of the mandatory approach.
4. In CSR disclosure, there are situations where the company limits the delivery of information. This can be due to the belief of local wisdom that is understood as 'if the right hand gives, the left hand does not need to know.'
5. CSR brings good prosperity to the company. From the comparative analysis, it is revealed that the financial performance indicators (income, profit, equity, asset, and profit margin) in companies that deliver fuller CSR disclosure (High CSR) are higher than those with low CSR disclosure (Low CSR). This indicates that God's hand works faster in a good place than in a company lacking the spirit of CSR.

It is necessary to set rules and more comprehensive legislation governing CSR, including the determination of minimum cost allocation for companies to conduct CSR. It is essential to unite the company's power to become larger, contribute, and synergize more with the government in sustainable development. Future research can examine how reasonable the allocation of costs for corporate CSR activities is. Suppose the CSR commitment of the company is good enough. Hence, it can be recommended to be a national CSR movement for all public companies in Indonesia as the realization that the upper hand is better, and the left-hand does not need to know if the right-hand wants to give.

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