

Cycle Relations: A proposed-CSR Model to Increase University's Intake

Cycle Relations: Usulan Model CSR untuk Meningkatkan Intake Universitas

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Abstract

Most higher education institutions in Central Java, especially in Salatiga have done some Corporate Social Responsibility (CSR) programs to achieve their goal which is increasing their intake yearly. This is a descriptive qualitative research which tries to investigate the implementation of CSR model proposed named 'Cycle Relations' in one academic year. Interview and literature study are used to gain the data, and then analyzed qualitatively. 7 higher education institutions in Salatiga-Central Java and also 19 high schools which are spread in 7 cities in Central Java are used in this study. The reason why these institutions were involved was that this study was a continuation from a previous study. This result shows that indeed the CSR program the insitutions carried out impact towards their intake either directly or indirectly. The study indicates that those higher educations have done their 'Listen and Respond' to create their sustainable CSR program.

Keywords: CSR, Higher Education Institutions, Intake.

Abstrak

Sebagian besar institusi pendidikan tinggi di Jawa Tengah, khususnya di Salatiga telah menjalankan program Pertanggungjawaban Sosial (CSR) untuk mencapai tujuannya yaitu meningkatkan jumlah mahasiswa baru (intake) setiap tahunnya. Penelitian deskriptif kualitatif ini mencoba untuk melihat implementasi dari model CSR program 'Cycle Relations' dalam satu tahun akademik. Interview dan kajian pustaka digunakan untuk pengumpulan data yang kemudian dianalisa secara kualitatif. Ada 7 institusi pendidikan tinggi di Salatiga dan juga 19 sekolah menengah atas yang tersebar di 7 kota di Jawa Tengah dikaji dalam studi ini. Alasan mengapa lembaga-lembaga ini terlibat adalah karena studi ini merupakan kelanjutan dari studi sebelumnya. Hasil penelitian menunjukkan bahwa program CSR pendidikan tinggi ini berdampak terhadap intake, baik secara langsung maupun tidak langsung. Penelitian ini juga menunjukkan bahwa perguruan tinggi tersebut telah melaksanakan proses 'Dengarkan dan Tanggapi' untuk merancang program CSR yang berkesinambungan.

Kata Kunci: Pertanggungjawaban Sosial, Institusi Pendidikan Tinggi, Intake.

Introduction

It is undeniable that private universities around the world need to consider carefully their corporate strategies to compete in the tougher situation especially to gain their good reputation from the public. One of the strategies is Corporate Social Responsibility. Studies have been carried out in this area investigating CSR done in universities or higher education institutions (Dahan & Senol, 2012; Nejati, Shafaei, Salamzadeh, & Daraei, 2011). Their studies focus Corporate Social Responsibilities (CSR from now on) carried out by top leading universities and universities in Turkey. CSR studies in Indonesian have

been focused on CSR carried out by businesses or profit organizations (Masduki, 2009). Their investigation mainly covers the CSR program either in private or governmental companies. Seeing this condition, it would be useful to investigate the CSR done by higher education institution in Indonesia to see its impact towards their existence. The competition of private higher education institution in Indonesia is very tough. They have to compete with others to survive and maintain their existence (Wijaya, L & Krismiyati, 2014). Therefore, it will be useful to see what those institutions have done in surviving their competition and maintaining their intake. This study tries to model the CSR program done by private higher education institutions in Indonesia. It also aims to investigate the impact of CSR towards their intake to see whether what they have given to the stakeholders or society directly or indirectly have significant impact towards the number of the students coming to their institution for their studies.

Nowadays, in this highly competitive education industry, Universities or other higher educations, especially private ones are in need of strong corporate strategies in order to be successful to compete with others. In this condition, One of the highly preferred strategies done by higher educations for gaining a good reputation and a competitive advantage after promotion tools are used, is doing the CSR. Eventhough higher education are considered as a non-profit organization, it does not mean that they can not do something for the society, but they can also do their social responsibility to create better image for its stakeholders (Wijaya L & Krismiyati, 2014). Because of globalization and privatizations of the education institution, most university and also other higher education institutions are competing in order to attract its stakeholders. To survive in this competitive world, these higher education institutions are adapting a more business-like approach to its stakeholders (Gioia & Thomas, 1996; Gumpert, 2000).

Due to this condition, the role of universities or higher education institutions and their social responsibilities in today's context should always be addressed jointly. According to Susanto (2012) the benefit of CSR for institutions are:

1. Get the Support from the Communities

Public support will be gained when any institutions/companies perform their social responsibilities consistently. Should there be accusations of any wrongdoing, public will show their support (Susanto, 2012). In Higher education Institution, Getting the support from the communities means they get support from their stakeholders especially highschools or highschool students.

2. CSR will help Companies minimizing the Risk of any Crises

Tsoutsoura (2004) said that corporate governance, environmental aspects and social aspects are three kinds of risks related to CSR. Companies that adopt the CSR principles are more transparant and have less risk of bribery and corruption. Due to this condition, stricker quality and environmental control wil also be implemented. Therefore, they must less of having to recall detective product lines and pay heavy finest for pollution. According to Susanto (2012), CSR also help the companies reducing social risks. For University or higher institutions facing crisis of getting lack of students will not affected directly for the University or institutions who have done the CSR, or by doing CSR will minimize the crisis faced by universities or higher education institutions.

3. Employee Engagement and Pride

For Employees, working for a reputable company which consistently helps society improving their quality of live, makes them proud of themselves and will feel more motivated to work harder for the company's success. Attracting and retaining best talents easily, reducing turnover can be achieved when we have socially responsible companies

(Susanto, 2012). For the employees working in the universities or higher educations will be proud of themselves for being able to do the CSR to the community.

4. Implementing CSR will strengthen the Relationship between a Company and its Stakeholder

Since it shows the stakeholders that the company cares about those who contribute to its ability to operate and success (Susanto, 2012). Implementing CSR will also strengthen the relationship between the universities or higher educations and their stakeholders, because it shows their care to the society/communities.

According to European Commission, CSR is a concept whereby companies integrated social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. While one said that CSR is actions on the part of a firm that appear to advance the promotion of some social good beyond the immediate interests of the firm/shareholders and beyond legal requirements (McWilliams & Siegel, 2001). The focus of CSR programs done by the companies are paying attention more on the place, profit and people, or what is known as Triple Bottom Line or TBL (Elkington, 1994). The TBL concept is the effort to increase the financial performance, a company should also strive to enhance its social and environmental performance. In other word, in addition to profit, a company implementing the CSR programs should also address its surrounding community (people) and its environment (place). The Triple Bottom Line (TBL) proposed by Elkington (1994) are as followed:

- a. Profit--The economics: The company must still orient to seek economic advantage that allow it to continue in operating and growing.
- b. Place--Environmental sustainability aspects: Company cares for environment and sustainable biodiversity.
- c. People--Social Environment aspect: A company must have a concern for human welfare.

The mission for all people is that To persuade human society, they have to live in ways that protect basic values and provide their capacity of sustainability for the needs and also aspirations of current and future generations (Topal, 2009). CSR necessity is certainly a growing movement across the world.

As a developing country, the existence of corporation in Indonesia has an important role. Corporation is not only important for economic but also for the society. It not only brings profit for the state and the surrounding community, but also brings some impacts for the environment as well as society. A long debate on the issue of corporate social responsibility has been taking place since the mid of the 20th century (Nejati et al., 2011). In Indonesia, the implementation of CSR has not been done thoroughly. Most of the companies are not maximal in doing their CSR activities. As a result, the application of industry couldn't reach the bottom of the whole society. Some CSR practices in Indonesia are not represents the objectives of CSR. The companies tend to give donation or contribution to the society instead of building their infracture which can give benefit for the whole society.

According to Ismail Solihin (2008), the implementation of CSR in Indonesia can be considered as discretionary business practice done by multinational companies, and by the National companies. For big companies in Indonesia, implementing CSR program is voluntary for them, but gradually it becomes a sustainable program for the company and the society.

Universities or higher education institutions in Indonesia also think that CSR activities are also important to be done by the educational institution to create well-educated society. For University or higher educations, contribution to knowledge and well-being of society is of great importance (Nejati et al., 2011). In Indonesia, the globalization has inevitably embraced higher education industry and the higher education institutions started to experience significant shifts in recent years. Higher education institutions had to consider the competition in order to attract high quality students and academic staff not only within national borders but also in an international level. So There are a lot of universities or higher educations in Indonesia especially the private ones compete each other to attract their target audience by providing/giving social responsibility activities to the society in order to regain the good image of the intitutions on the eye of the society/the target audiences.

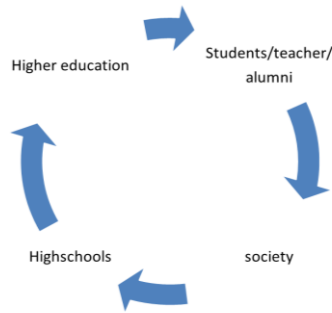
Hanneman and Riddle (2005) mention that there is a particular network formed in society named 'cycle network.' This network takes a form of a cycle that may be formed by the interaction done by actors in the society. Scott (2000) explains that the cycle form may have any number of actors involved. It does not need to be only three or four actors. It could take any number of actors to form the cycle. The direction of the relations made in the network could be one way or two ways relation, so it could be taking and give or just giving to other actors (shown in the picture bellows).



Picture 1. The Possibility of the Relations Directions made by Nodes or Actors in the Network (Scott, 2000)

The important component in this cycle network is the cycle. The cycle formed depends on the number of actor or node involved in the network. In Picture 1, there are three and four nodes cylce. The three nodes network sometimes is called as triads (Carrington, P.J., Scott, & Wasserman, 2007). The line shown in the picture describes the relation made in the network and it is known as tie, either one way or two ways directions (Wasserman & Faust, 1994).

This model was then adapted to create a model of CSR program done in higher education institutions in Indonesia, especially in Central Java as Cycle Relations Model. As mentioned before, this model is adapted from the cycle network concept (Carrington, P.J. et al., 2007; Hanneman & Riddle, 2005; Scott, 2000). This model focuses on four nodes or actors forming the cycle. This model involves the four actors in the network which are the stake holders of higher education institutions. They are the higher education institution, students, alumny and teachers, highshcools, and society. The highschool comprises of the students and teachers. All these four stake holders are related to each other by making ties that will impact towards the intake of higher education institutions. The model shows in Picture 2.



Picture 2. Cycle Relations Model

Method

This study tries to propose a model for CSR in higher education based on previous studies investigating the CSR program of higher education. This employs qualitative approach to get details information on what the insitutions involved in this study have done. The qualitative approach allowed the study to see how CSR programs have been implemented in its natural setting (Creswell, 2014).

The research questions investigated in this study are:

1. What kinds of CSR programs implemented in higher education that could increase students' intake?
2. What is the implementation of the proposed CSR model like in order to increase students' intake?

The study involved 7 (seven) higher institutions in Salatiga, and 19 (nineteen) highschools in Central Java--Indonesia. The data were collected through interviewing the corresponding personnel in each institutions involved in this study and also from the Focus Group Discussion between both respondents, the higher education institutions and also the highschools teachers. The Questions questions used in this study covered the following ideas:

Kinds of CSR program done by the higher educations; The effectiveness of the CSR program for the schools; Whether the CSR programs given is matched with the schools' needs; Kinds of CSR program needed by highschool or highschool teachers; The benefit of CSR program for the schools and the society; The influence of CSR program towards the intake of the universities/higher educations; Whether there are other factors/institutions influence the implementations of CSR programs; and any obstacles in requesting CSR programs to universities/higher educations.

After being collected, transcribed and analyzed, the data was interpreted to address the objective of this study. Meanwhile, the objective of this study was to see how the cycle Relations model has been implemented. This can be seen by knowing what kind of CSR programs are needed by the schools/society as the stakeholders of the higher educations and how the schools/the society responds to the CSR programs. Finally, the impact on the intake of the higher educations can be identified. For ethical consideration, the name of the interviewees and the institutions involved in this study will not be mentioned at all through out the article. It will be coded as Higher Educations (HE) 1, 2, etcetera; and High School (HS) 1, 2, 3 etcetera.

Results and Discussion

The implementation of the CSR model done by the higher institutions can be seen from data gathered from 7 higher institutions which are summarized as follow:

No	Higher Institutions	Kinds of CSR programs done by Higher Institutions	Intake Percentage	Involvement of other Institutions
1	HE 1	<ul style="list-style-type: none"> • Scholarship • Religious services in the New Areas 	10 – 15%	Alumni and Church
2	HE 2	<ul style="list-style-type: none"> • Managing Blood Donor • Scholarship • Religious services in especially in Teaching Religion Subjects at Schools 	20%	RedCross Foundations and House of Rehabilitations
3	HE 3	<ul style="list-style-type: none"> • Health Consultation • Scholarship • Workshop in Preventing for Cancer • Free Health Check 	None	Alumni as the Mediators
4	HE 4	<ul style="list-style-type: none"> • Seminar in Character Building • Managing Blood Donor • Clean the Environment • Scholarship • Clean the Water Source-Senjoyo 	20%	Redcross Foundations and other Corporation (PT Java)
5	HE 5	<ul style="list-style-type: none"> • Scholarship • Computer Training for Highschools 	5-10%	Alumni as Mediators
6	HE 6	<ul style="list-style-type: none"> • Scholarship • Empowering Moslem Schools • Workshop on Enterprenourship for Vendors • Workshop for Highschool Teachers 	5-10%	Moslem Schools and Alumni
7	HE 7	<ul style="list-style-type: none"> • Workshop for Highschool Teachers • Scholarship • Trainig for Highschool Teachers and Staff • Seminar on Character building for Highschool Students • Managing Blood Donor • Planting Tress 	5-10%	Redcross Foundations and Alumni

Table 1. Implementation of CSR Model

Seven higher institutions have shown that they have given their CSR programs to their target audiences whether they are the highschools, or the students, teachers and also to the society. In implementing their CSR programs, they also involve other institutions that can help them in completing the CSR programs. From what the higher education institutions have done, the impact on intake of the higher education institutions can be identified, eventhough there is also other higher institution which does not show any improvement in the intake .

From the point of views of the high schools and society as the target audiences, The CSR programs received so far have already met with what they have expected, especially for high schools that know that they can request the CSR program they need (HS 2, HS 4, HS 5, HS 16). For these 5 highschools have got the CSR programs which are suitable to their needs. Most of the high schools (HS1, HS3, HS 6, HS 7-HS 15, HS 17, HS 18 and HS 19) tend to receive what the higher institutions give about the CSR program, as long as the programs are useful program for the teachers or students.

The implementation for both parties, higher education institutions and also the high schools or the society are done through two way communications between both parties. Both parties try to achieve '*win win solution*' so that the higher institutions will get good impact towards the intake of the higher education institutions, on the other hand the target audiences (high schools students, teachers and also the society) will the benefit for the schools, the students, teachers and also the society who receive this program. If the higher educations/universities can communicate their narratives and corporate strategy well, they will gain a competitive advantage in the future (Man, Abdullah, Tamam, & Hasan, 2019).

The implementation of the cycle relation model has shown that the model is applicable and effective to be implemented to the target audiences. The corporate social responsibility programs done by higher educational institution have involved the three bottom line factors proposed by Elkington (1994). Based on what Elkington (1994) has said that in implementing good CSR programs, the programs should not only give benefit (profit) for the higher educations institutions but also address its surrounding community (people) and its enviroment (place). The impact on those three factors are discribed in the following sections:

a. People (Social Environment Aspect)

In implementing the CSR programs , the higher education institutions must have concern for human welfare (Elkington,1994). It means that the society get some benefit from the CSR programs done by the higher education institutions. Most of the CSR programs done by higher education institutions in Salatiga (Central Java--Indonesia) give great impact for the stakeholders especially the high school students (done by all the higher education institutions), the high school teachers or staff (done by HE 6 and HE 7) and also for the society (HE 1, HE 2, HE 3, HE 4, HS 6 and HE 7). As what Nakib NM and Mia MR (2014) said that the current notion of CSR is based on a '*stakeholder*' approach. A higher education institution that implement the CSR programs should concern their responsibilities towards different stakeholders in order to protect stakeholders' interests and fullfil their expectations. Stakeholders (high school students, teachers, staff and also the society) are those individuals who are influenced by or can be influence a company's (in this case is the higher education institution's) decision and actions.

b. Planet (Environmental Sustainability Aspect)

CSR programs done by higher education institutions should also care with the environment, such as helping the society to clean the area, planting trees to create green environment, and also clean the 'water source in Senjoyo' (HE 4, HE 7, HE 1, HE 2). In doing this, most of the higher educational institutions involved their alumnies and also their students to participate in this activities. Because of this activities, the environment will also be affected, as what Elkington (1994) said that some CSR principle of CSR programs are developing into a green environment, provision of clean water and hopefully it will be come a sustainable program for the society.

c. Profit (Economic Aspec)

Most of the higher education institutions in Salatiga have implemented the CSR programs to their targeted stakeholders. Eventhough this is a voluntary program, but those higher education institutions said that by doing these CSR programs will create the good image of the institutions and indirectly it will influence the target audiences to study in these higher education institutions, because by doing CSR, the institution can maintain good and positive image towards its stakeholders (Octaviana, 2013). This is shown from the intake that they have reached in this academic year which shows an increase ranged from 5-20% from last year's intake (HE 1, HE 2, HE 4, HE 5, HE 6, HE 7). As what Kaur Maneet (2011) said that The content of CSR creates an emotional connection with target audiences and builds connections between the brand, its CSR initiatives and the audiences. Promoting brand image with the help of CSR initiatives encourages positive comments and ultimately has a positive effect on the brand. The benefits of using CSR in branded content are endless; foremost it helps to build a brand's reputation and is a point of differentiation. Being difference will make the higher educational institutions become the choice of the students to study. Eventhough there is also other higher educational institution which does not get any impact in the intake (HS 3). This show that the impact of CSR programs done by higher educational institutions does not always result in a positive way, but in general CSR programs done by higher educational institutions are giving benefits for both parties, the higher education institutions and also the target audiences.

Lina Wijaya and Krismiati (2014) said that the general rules for implementing the CSR programs are '*Listen and Respond*' and also suitability should be perfectly conducted by the institutions. By '*Listen and Respond*' to what the target audiences need (HE 1, HE 2, HE 3, HE 4, HE 5, HE 6, HE 7) will create the better CSR programs for them. On the other hand, sustainable program will create good communication with the target audiences, as what AB. Susanto (2012) said that CSR will strengthen the relationship between a company and its stakeholder. By doing those general rules for implementing the CSR programs, indirectly the principle of the three bottom line mentioned by Elkington (1994) have been done by the higher education institutions and all of this have created a great influence on the intake of the higher education institutions.

Conclusion

Based on the results of research and discussion of this study, the cycle Relations model (Wijaya L and Krismiyati, 2014) is quite effective in conducting the CSR program for higher education institutions. The model shows that when the higher educational institutions have already done their '*Listen and Respond*' they will conduct their CSR programs by involving their alumni, students, teachers (HE 1, HE 2, HE 3, HE 4, HE 5, HE 6, HE 7) and also other instituions (HE 1, HE 2, HE 4, HE 6 and HE 7), in conducting

the CSR programs. The process of listen and responds will make the higher education institutions create suitable CSR programs based on what the target audiences need. When the target audiences have already got what they want, indirectly this condition will create good image of the higher education institutions which will influence the sm students to study in this institutions. Making this CSR programs as a sustainable program, will show that implementing CSR programs will be one of the good promotion programs for higher education institutions because the target audiences are not only see the brochure or other promotion tools, but they will feel and know the quality of the higher education institutions, that will lead them to become more confident in choosing the place to study.

Future studies could further examine the implementation of this model in other higher education institutions, in a more broader area, to see if it brings similar impacts to the previous ones. It is also useful to see its implementation on the public universities to see if there is any big difference between them. An investigation involving documents studies like looking at the reports of the implementation in higher educations will provide an alternative validation for the data.

Acknowledgements

The writers would like to thank to the Head of the Higher Educations (7 Higher Education Institutions in Salatiga-Central Java), and also the Headmasters of the High Schools (19 High Schools which are spread in 7 cities in Central Java) that involved in this research, for their cooperations and assistance in accomplishing this research.

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