IMPLEMENTATION OF CREATING SHARED VALUE AT PT PEGADAIAN (PERSERO) CASE STUDY OF ALAMANDA SEJAHTERA WASTE BANK ASSISTANCE PROGRAM IN BEKASI CITY

Andi In’amul Hasan, Bambang Shergi Laksmomo
Faculty of Social and Political Sciences, Universitas Indonesia, Indonesia
Email: andi.in@ui.ac.id, bash50@ui.ac.id

KEYWORDS
Creating Shared Value; corporate social responsibility; waste management; financial institution; sustainability

ABSTRACT
This research paper examines the implementation of Creating Shared Value (CSV) at PT Pegadaian (Persero) through its Alamanda Sejahtera Waste Bank Assistance Program in Bekasi City. The study aims to describe the program formulation and implementation of CSV in the waste bank assistance program. CSV, proposed by Michael Porter and Mark Kramer in 2011, emphasizes the importance of creating shared value between companies and society. This concept gives a win-win solution where companies can achieve their business goals while providing benefits to the community and the environment. The approach and type of research used in this study is a qualitative research with a descriptive approach. The research focuses on PT Pegadaian (Persero), a state-owned financial company that has successfully reduced non-organic waste by 3,600 tons from 2018 to 2022 through its waste bank assistance program. The research contributes to the understanding of CSV implementation in the Indonesian context, focusing on PT Pegadaian (Persero)'s waste bank assistance program. Through this program, the company has not only made a positive impact on the environment by reducing non-organic waste but also created shared value by involving waste bank managers as Pegadaian agents. The findings shed light on the benefits of integrating financial services with waste management initiatives, demonstrating how companies can achieve their business goals while contributing to societal well-being. This research serves as a valuable reference for other financial institutions and organizations interested in implementing CSV and promoting sustainable practices in their operations.

INTRODUCTION
The role of the business world in protecting the environment and improving people's welfare is considered important (Mapisangka, 2009). The company's operational activities often affect the social life of the community and the environment (Novita, 2018). Therefore, the business world needs to build a sustainable commitment to society through corporate social and environmental responsibility (CSR) (Nayenggita et al., 2019).

One form of the development of corporate social and environmental responsibility is the presence of the concept of Creating Shared Value (CSV), proposed by Michael Porter and Mark Kramer in 2011, which is an alternative to a business approach that only focuses on profit (Nugraheni et al., 2022). CSV emphasizes the importance of creating shared value between companies and society (Fitrianti, 2017). The company's success is not only measured from a financial perspective, but also from the positive impact it has on the community and the surrounding environment (Arvitariani, 2018; Setyaningsih & Fun, 2016).

CSV brings the concept of a win-win solution, in which companies can achieve their business goals while providing benefits to society and the environment. The application of this
concept is expected to improve the company's social and environmental performance while still maintaining its business profits (Harventy, 2020).

Several companies in Indonesia, including state-owned companies and multinational companies, have implemented the CSV concept in their operations. For example, PT Pertamina (Persero) invests in developing renewable energy and increasing the use of biodiesel. PT Bank Rakyat Indonesia (Persero) Tbk (BRI) has a "BRI Community Development" program that supports the micro-economic sector in rural areas. PT Telkom Indonesia (Persero) has a "Digital Village" program to improve internet access in remote areas (Harventy, 2020).

In addition, multinational companies such as PT Unilever Indonesia Tbk, PT Nestlé Indonesia, and PT Coca-Cola Amatil Indonesia also have CSR programs that cover various aspects, such as people's quality of life, industry sustainability, and children's education.

The obligation to carry out corporate social responsibility programs as stipulated in Government Regulation Number 47 of 2012 concerning Social and Environmental Responsibility of Limited Companies in article 74 paragraph 2 states that companies that carry out their business activities in the field and/or related to natural resources are obliged to carry out social responsibility and environment (Marthin & Marthen, 2017; Utama, 2018). As a company whose business activities are not directly related to natural resources, companies engaged in the financial services sector also need to pay attention to their social responsibilities in accordance with the regulations set by the Financial Services Authority (OJK).

Sustainable finance is comprehensive support from the financial services sector to create sustainable economic growth by harmonizing economic, social and environmental interests. In Article 2 of the regulation it is stated that Financial Service Institutions (LJK), Issuers and Public Companies are required to implement Sustainable Finance in the business activities of LJK, Issuers and Public Companies. Furthermore, in its implementation, based on article 8 paragraph 1, it is stated that FSIs that are required to implement TJSL allocate a portion of TJSL funds to support the implementation of sustainable finance activities (Simatupang & Budiasa, 2022).

The Ministry of SOEs is a government agency in charge of managing state-owned companies. Issue regulations requiring SOEs to implement the Social and Environmental Responsibility Program (TJSL) in accordance with the stipulated provisions. The aim of this program is to provide benefits for economic, social, environmental, legal and corporate governance development. The TJSL program also aims to create added value for companies with principles that are integrated, directed, measurable and accountable, as well as assisting the development of micro, small businesses and communities around the company (Amalia & Marliyah, 2022).

In March 2023, the Ministry of SOEs held the 2022 BCOMSS Awards to appreciate corporate communication and SOE sustainability programs. In this awarding activity, PT Pegadaian (Persero), one of the BUMN companies engaged in financial services, won an award in the category of best Creating Shared Value through the 74 Waste Bank Assistance program with the tagline "Sorting Waste Saving Gold". Based on data from the Ministry of Environment and Forestry, in 2022 Indonesia will produce 28.7 million tons of waste or 78,630 tons of waste per day. Indonesia is also ranked second in the world as a country that dumps its plastic waste into the sea and contributes to the formation of The Great Pacific Garbage Patch.
PT Pegadaian (Persero)’s social and environmental responsibility program is considered successful in reducing the amount of non-organic waste by 3600 tons in 2018 to 2022. Apart from having a positive impact on the environment, the application of the CSV concept by creating shared value between the company and the community can be seen from waste bank activities that are ongoing where PT Pegadaian (Persero) involves Waste Bank management to become Pegadaian agents, in addition to promoting Pegadaian financial service products, Waste bank management also invites waste bank customers to become Pegadaian customers in the “Sorting Waste Saving Gold” Program in the form of activities which converts non-organic waste that is deposited in the waste bank into gold savings at Pegadaian.

So the formulation of the problem in this study will explore how the application of the CSV concept at PT Pegadaian (Persero) in the Alamanda Sejahtera Garbage Bank Assistance program, Bekasi City?. The mentoring program at the Alamanda Garbage Bank was chosen as the research location because the waste bank was the first and the longest assisted waste bank by PT Pegadaian (Persero) by PT Pegadaian (Persero). So, the purpose of this research is to describe how to formulate programs and implement creating shared value (CSV) in the Alamanda Sejahtera Garbage Bank Assistance program in Bekasi City?

### RESEARCH METHOD

The approach and type of research used in this study is a qualitative research with a descriptive approach (Creswell & Creswell, 2017). The purpose of this qualitative descriptive research is to get an in-depth, detailed, and detailed description of the application of the CSV concept at PT Pegadaian (Persero) in the Alamanda Sejahtera Garbage Bank Assistance program, Bekasi City. This study aims to understand the process in depth and gain a better understanding of the issue, phenomenon or problem under study.

The location of the research was carried out at the TJSL program implementation location of PT Pegadaian (Persero) Alamanda Garbage Bank, Bojong Rawalumbu Village, Bekasi City. The informant selection technique used in this study was purposive sampling. Informants were selected purposively based on predetermined criteria, which included involvement, information skills, and authority in implementing the CSV concept in the Bekasi City Alamanda Garbage Bank Assistance program. Informants were selected based on their capacity to provide the information needed to answer the research objectives.

Data collection in this study was carried out through several stages. First, a document study was conducted to gain sufficient understanding of the object of research through secondary data such as CSR-related journals, CSV implementation in CSR, and data on CSR implementation at PT Pegadaian (Persero) Tbk. Furthermore, in-depth interviews were conducted to obtain primary data. Interviews were conducted face to face using a tape recorder.

The stages of data analysis include data collection, preparation of observation results and interview transcripts, open coding to classify found keywords, axial coding to organize data into new groups, selective coding to select relevant data, and analysis and conclusion of findings to answer research questions. The quality of this research will be improved through triangulation, namely looking at research objects from various angles to improve data accuracy. In addition, the nominated sample technique was used to select informants who have the capacity to provide appropriate information about the implementation of creating shared value in the Assistance program of the Alamanda Garbage Bank Bekasi City.
RESULTS AND DISCUSSION

Environmental csv program formulation based on core business

PT Pegadaian (Persero) in formulating the program refers to national policies starting from the RPJMN, POJK 51-2017 concerning sustainable finance, laws related to BUMN and TJSN and BUMN Minister Regulation No. 05 of 2021 concerning the Social and Environmental Responsibility Program for State-Owned Enterprises, Directors Instruction No. 29 of 2018 and SK number 465-S of 2018 which explains about Clean-Clean Pawnshops (Pro Planet, Pro Profit and Pro People) involving the community and developing their knowledge and skills to care for the environment, care for financial management and administration, and concerned with the improvement of infrastructure supporting the environment, education and health. SDGs related to sustainable development goals, and at the global level the company also adopts ISO guidelines, specifically ISO 9001 Quality management system, ISO 37001 related to anti-bribery management systems, 27001 related to information security management, and using ISO 31000 Risk Management and ISO 26000 guidelines related to social responsibility. The sustainability report also adopts the GRI Standard principles issued by the global sustainability standards board (GSBB)

Since 2018, PT. Pegadaian has a program to Sort Waste to Save Gold (The Gade Clean and Gold) which aims to build public awareness to care about the environment so that they want to move together to sort waste that provides benefits for improving people's welfare by introducing a form of gold investment in the form of gold savings from the waste processing process.

The Gade Clean and Gold Waste Sorting Program addresses environmental problems in the community by providing guidance and assistance as well as involving the community in Garbage Bank activities. One of the impacts that has been produced in this program is changing the behavior of people who previously burned garbage, has been reduced because people understand that waste can have economic value. This change in behavior also directly reduces carbon emissions by selling plastic waste to the Garbage Bank.

PT. Pegadaian from 2018 will continue until 2022 with a new branding, namely "Packaging Trash for Indonesia". PT. Pegadaian has built, assisted and involved communities in 74 locations throughout Indonesia to sort waste from their homes and save gold through the collected waste. There are at least more than 13,500 beneficiaries of this program, ranging from companies, management and customers of the Garbage Bank to the government and local agencies. Not counting the general public who feel that their environment is clean, tidy and beautiful because the mindset of the people has been awakened to be able to sort waste before leaving the house. The management of the Garbage Bank, as well as the Pegadaian Agent, also promotes Pegadaian products such as gold savings, Hajj savings and KUR.
Implementation of Creating Shared Value (CSV) PT. Pegadaian (Persero) Assistance and Agency Patterns for Alamanda Sejahtera Garbage in Bekasi City

The Alamanda Sejahtera Garbage Bank has been established since 2017 located in Bojong Rawalumbu Village, Rawalumbu District, Bekasi City, West Java. Institutionally, the Alamanda Sejahtera Garbage Bank has a Guardian Council from elements of the sub-district government from the Bojong Rawalumbu Lurah, a Supervisory Board from the Head of the Rukun Warga, the Advisory Board of the Chairperson of the PKK Rukun Warga, in whose management activities are led by one chairman accompanied by a secretary and treasurer and has four implementing units namely an organic unit, organic and processing unit, recycling unit and partnership unit and other businesses.

PT Pegadaian's assistance began in 2017 by Pegadaian Bekasi Area in the form of training for waste bank managers, outreach to the community around the waste bank regarding waste management and the importance of sorting waste.

In 2018 the Alamanda Sejahtera Garbage Bank was officially registered as a Pegadaian agent as an extension of the Pegadaian service in charge of marketing products to the public. As a Pegadaian agent, the Garbage Bank Alamanda Sejahtera is also involved in the social and environmental responsibility program of PT Pegadaian (Persero) through the Waste Management Saving Gold Program (The Gade Clean And Gold) where this program involves waste bank management to invite waste bank customers to become program customers. saving gold PT Pegadaian. The management of the waste bank will provide training on sorting waste, especially household waste, to the community so that it can be classified according to the type of waste and know how to handle and use it. Furthermore, the waste that has been sorted is then deposited to the waste bank to carry out the weighing process. After weighing, the selling value will be calculated. After knowing the nominal value of the waste deposited, the value of the waste will be converted and saved into gold savings. To support the program and agency activities, the Alamanda Sejahtera Waste Bank received operational assistance from the Bekasi Area Pawnshop in the form of one laptop and two smartphones.

In 2019 the Alamanda Sejahtera Garbage Bank received assistance directly under the PT Pegadaian (Persero) Head Office and received assistance in the form of facilities and infrastructure such as building a garbage bank office, providing training support facilities in the form of an LCD projector, assistance with waste processing machines and empowerment
programs for bank management waste in the form of training of trainers and training on household waste recycling such as processed used oil and paper waste.

Assistance by PT Pegadaian (Persero) in 2020 to the Alamanda Sejahtera Garbage Bank is provided in the form of assistance in making green houses to support the program for processing organic waste into fertilizer and manufacturing planting media, operational car assistance and involvement of the Alamanda Sejahtera Garbage Bank in various exhibitions organized by PT Pegadaian (Persero).

In order to ensure the sustainability of the impact and appreciate the achievements of the Garbage Bank program in 2021, PT Pegadaian (Persero) has been actively holding competitions between assisted waste banks to commemorate certain days related to the environment such as National Waste Awareness Day (HPSN), Environment Day World Life, and World Cleanup Day. Based on the research findings, the Alamanda Sejahtera Garbage Bank succeeded in obtaining the overall winner in the competition to commemorate National Waste Care Day in 2022, winning the waste sorting education category and the management category with a total prize given by Pegadaian worth Rp. 130,000,000.

Since 2022, PT Pegadian (Persero) has initiated the establishment of a Waste Bank Forum whose management consists of representatives of 74 waste banks assisted by PT Pegadaian (Persero). This forum is a forum for coordination and exchange of information to ensure program sustainability and innovation in each waste bank. The management of the waste bank forum is chaired by the Muria Indah Kudus Waste Bank and the Secretary comes from the Bekasi Alamanda Sejahtera Waste Bank. This forum actively holds virtual meetings once a month to report on each other's achievements and actively provides advice and input to PT Pegadaian (Persero) for program development.

The Role and Involvement of Stakeholders in the Alamanda Sejahtera Garbage Bank Assistance Program

<table>
<thead>
<tr>
<th>No</th>
<th>Stakeholders</th>
<th>Role</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>PT. Pawnshop</td>
<td>Project owner because the main funder</td>
<td>Helping with funding and assisting the Alamanda Sejahtera Garbage Bank.</td>
</tr>
<tr>
<td>2</td>
<td>Garbage Bank Manager</td>
<td>The main beneficiary of the program is also the manager of</td>
<td>Responsible for running and managing the Garbage Bank</td>
</tr>
<tr>
<td></td>
<td></td>
<td>the Waste Bank</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Garbage Bank Customers</td>
<td>The main beneficiary of the program as well as the multiplier</td>
<td>Participate to support the program by becoming a customer, sorting waste</td>
</tr>
<tr>
<td></td>
<td></td>
<td>effect of the running of the program.</td>
<td>from home</td>
</tr>
<tr>
<td>4</td>
<td>General public</td>
<td>Program support</td>
<td>Support running the program</td>
</tr>
<tr>
<td>5</td>
<td>Local government</td>
<td>Program Manager and Advisor</td>
<td>Responsible for program implementation and participate actively in</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>socializing the existence of Garbage Banks in their respective areas</td>
</tr>
<tr>
<td>6</td>
<td>environmental services</td>
<td>Coach and trainer of the Waste Bank program</td>
<td>Participate in coaching activities and provide training for the management</td>
</tr>
<tr>
<td></td>
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<td>of the Waste Bank and the community</td>
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</table>
CONCLUSION

Pegadaian as a BUMN company engaged in the financial services sector formulates programs with reference to national policies and related regulations, such as the RPJMN, POJK 51-2017, BUMN laws, and ministerial regulations related to social and environmental responsibility programs for State-Owned Enterprises.

Implementation of corporate social and environmental responsibility programs PT Pegadaian (Persero) adopts the Creating Shared Value (CSV) approach, with PT Pegadaian as a companion and the Waste Bank as the Pegadaian agent.

The "Sorting Waste Saving Gold" program is a form of implementing the CSV concept which aims to build public awareness of the environment and provide economic benefits through processing waste into gold savings and involving the community in Garbage Bank activities.

The Alamanda Sejahtera Garbage Bank in Bekasi City is one of the 74 waste banks that has been assisted by PT Pegadaian (Persero) since 2017, with various assistance and training provided including the construction of a waste bank office, facilities and infrastructure assistance, training, assistance operations, and involvement in exhibitions organized by PT Pegadaian.

This conclusion shows that PT Pegadaian has succeeded in implementing social and environmental responsibility programs through collaboration with the Garbage Bank, which has brought positive changes in people's behavior regarding waste management and the environment. This program also provides economic benefits to the community through gold savings from the waste processing process.

REFERENCES


Penerapan Tata Kelola Dalam Pemberian Remunerasi Bagi Bank Umum Syariah Dan Unit Usaha Syariah.


