

Management of Sharia Corporate Social Responsibility (CSR) as a Community Establishment for Civil Society

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Abstract: The purpose of this paper is: 1. To describe and critically evaluate the concept of civil society from expert 2. To explain about the management of Corporate Social Responsibility (CSR) Islamic companies 3. To make a model of *sharia* corporate social responsibility for the establishment of civil society. In this research the author uses literature study method (Research library) and interview from the expert. The conclusions of the research are: 1. The concept of civil society is actually an Islamic-style concept of civilization that lays the principles of the basic values of a harmonious and balanced society. 2. Islamic CSR Management is a management based on the fulfillment of rights that include the fulfillment of religious rights, the right to get an education, the right to obtain health, offspring, and the right to get justice and prosperity economically which in its management there are no conflicting elements with the Islamic law. 3. Proper management of CSR can certainly strengthen or increase the accumulation of social capital in order to improve the welfare of the community. Contribution result of this research is significant for the *sharia* marketing science. Implication from this research is for the society and the *sharia* companies and conventional companies who want to do the *sharia* corporate social responsibility. Lack of the previous research is still there is no much research about *sharia* corporate social responsibility that linked with civil society establishment.

1 INTRODUCTION

Social responsibility is the response, obligation, control, authority, concern and duty of a company to the surrounding environment. Ethics is a rule of principle and moral values that lead to the behavior of a person or group of people about good or bad. Ethics deals with internal values that are part of the corporate culture that directs organizational behavior in relation to its social responsibility-the moral of the organization.

In relation to the demands of corporate social responsibility, each company must run a Corporate Social Responsibility program in accordance with the Law No.40 of 2007 Article 74 Limited Liability Company Law (UUPT) stating that the PT who runs business in the field concerned with natural resources obliged to carry out social and environmental responsibility. The contents of Law No. 25 Year 2007 on Investment. Article 15 (b) states that "Every investor shall be obliged to carry out corporate social responsibility." The more detailed is Law No.19 of 2003 on State-Owned Enterprises. This law is further

elaborated by the Regulation of the Minister of State Owned Enterprises No.4 of 2007 which regulates from the amount of funds to the procedure of CSR implementation. This law was passed in the plenary session of the House of Representatives.

Corporate social responsibility (CSR) has become a critical issue for many companies due to increase of public awareness about the impact of companies on society and environment. (Amran and Usman, 2015) From the Islamic perspective, social responsibility is very much similar to the *takaful* konsep that emphasize on the community benefits of which is built and based on relationship characteristics. The gained from these is intended to fulfill the *maqasid al-shari'ah* mandates of religion, intelligence, life, honor and dignity as well as property (Azmi and Yaacob, 2012).

According to Islamic moral law (*shariah*), every citizen is responsible to promote justice and welfare in the society and seeks God's Blessing, to achieve success in this world and the here after (Amran and Usman, 2015). therefore the people of today must have an awareness that the importance of fighting for

their basic rights as well as the right to a decent life, security and prosperity. Besides, they must also be able to be responsible for their own life as a society especially in a plural Indonesian society (Rudito et al., 2013). But basically the responsibility is not the responsibility of the society itself or the state alone but is the joint responsibility, namely the government and all levels of society. It is this awareness that underlies the creation of a civil society that is the dream of every country in the world.

One of the efforts in the formation of civil society is the existence of a CSR program in which one of its aims is to raise public awareness towards a more prosperous and civilized order. The community empowerment model undertaken by the company through the CSR program is usually in the form of services, loans, infrastructure development and financing various events related to community development and welfare.

One of the models of CSR management that can be connected with the effort of civil society manifestation is the management of CSR conducted in Islamic or can be interpreted the management of sharia-based CSR and in accordance with the principle of Maqashid al-syariah which is termed by al-ma'aani al-laysuri'at laha al-ahkam (Hikam, 1996).

In addition the classical scholars describe the five main points that must be preserved in human life: keeping the religion (*hifz al-din*), keeping the soul (*hifz al-nafs*), keeping the mind (*hifz al-'aql*), keeping the offspring (*hifz al-nasl*) and preserves the treasure (*hifz al-mal*). Some classical scholars such as al-Ghazali and al-Syatibi argue that al-Kulliyah al-khamsah which they mentioned earlier is *usul al-syariah* or general purpose of the making of sharia (Zein, 2005)

2 LITERATURE REVIEW

2.1 Civil Society Concept

Understanding the Concept of "Civil Society" basically refers to the concept of "civil society" of western society. The person who first revealed this term in 1995 was Anwar Ibrahim (Rahardjo, 1999) and developed in Indonesia by Nurcholish Madjid (Madjid, N., 1999; Nurchalis. 2000). The meaning of civil society as civil society refers to the concept and form of Medina Society built by Prophet Muhammad SAW. The Madinah community is regarded as the legitimacy of history in the formation of civil society in modern Muslim society.

Meanwhile, according to Alatas (1978) Civil Society comes from the Arabic language which consists of two words namely *musharaka* and *madina*. *musharaka* which means association or communion of human life, in the Latin language society called *socius* which then changed its form to social while *madina* meaning city, or "tamaddun" meaning civilization. This is related to the life of the community who built the Prophet Muhammad SAW after he emigrated to Madinah whose population of various types of ethnicity and religion although the majority of Muslims.

Based on the origins of that understanding then the intention of the Civil Society (civil society) is a society that uphold high values of civilization, the community that lays the principles of the basic values of a harmonious and balanced society. According to observations Maarif (1998), civil society developing in the Western Society is theoretically entitled *egalitarian*, *tolerant*, and *open*, the values that are also owned by Madinullah's community.

Civil society was born and developed in liberalism so that the result of the Society that produced more emphasized the role and individual freedom, the problem of social and economic justice is still a question mark. While in civil society, justice is a major pillar. Another difference between civil society and *civil society* is that *civil society* is the fruit of modernity, while modernity is the fruit of the Renaissance movement; the secular Society movement that marginalizes God. So the civil society has a fragile moral-transcendental for leaving God. While civil society is born from the cradle and guidance of God.

From this reason Maarif defines the Civil Society as an open, egalitarian, and tolerant Society on the basis of transcendental moral ethical values derived from God's Revelation (Maarif, 2004). The people of Madinah, whom Cak Nur used as the typology of civil society, constituted a democratic society. In the sense that the relations between the groups of the Society, as contained in the points of the Medina Charter, reflect egalitarianism (each group has equal rights and position), respect for other groups, policy is taken by involving community groups (such as the setting of war strategies), and the perpetrators of injustice, from any group, are rewarded with the punishment.

2.2 Corporate Social Responsibility

CSR can be interpreted as an effort of the company to raise its image in the eyes of the public by making programs of charity both external and internal. External program by conducting partnerships

(partnership) by involving all stakeholders (stakeholders) to show the company's concern for the community and the surrounding environment. While internally able to produce well, achieve maximum profit and welfare employees (Kartini,2013).

Corporate Social Responsibility (CSR) is a phenomenon and strategy used by companies to accommodate the needs and interests of its stakeholders. CSR begins since an era where the awareness of long-term corporate sustainability is more important than just the profitability of the company (Gunawan,2008)

Corporate Social responsibility based on Maqashid Al-Shariah is about CSR program model in community empowerment that emphasizes on the purpose of Shariah which is based on Mashlahah so that it can create prosperity of society which not only prosper economically but also born, inner, world and akhirah (Al-Syatibi,2003).

Actually the world of industry and Maqashid Al Shariah there is a common goal is to create community welfare as a responsibility that must be carried by the industrial world. the CSR program of the industrial world in Community empowerment can be emphasized on Maqashid Al Shariah which is based on Dharuriyah (Zein, 2005) ie religious guarding (Hifdzu Ad Din) which poured in religious program in CSR, then soul guarding (Hifdzu An Nafs) poured in program (Hifdzu Al Aql) is set forth in the educational program, and hereditary care (Hifdzu An Nasl) set forth in the health program, as well as the treasure (Hifdzu A Maal) set forth in the form of an economic program.

Islamic CSR management can be summed up as a management based on the fulfillment of rights that include the fulfillment of religious rights, the right to education, the right to health, offspring, and the right to get justice and economic prosperity in which there are no conflicting elements with the shari'a of Islamic law.

3 METHODS

The method in this discussion is the library research (research library), which is an attempt to obtain the necessary data or information and analyze a problem through the sources of literature, researchers using literature study or library research is intended to obtain and review theories related with the topic and at the same time serve as the foundation of the theory

As a research that is a critical analysis of the results of a thought that is poured in a book to be referred to as the development of concepts for a

method, this study uses a phenomenological approach that means researchers trying to understand the meaning of events and their links to ordinary people in the situation certain. And also historically, that is a critical inquiry into the circumstances, developments, and experiences of the past and consider carefully enough and carefully about the evidence of the validity of the source of history and in providing interpretation.

Source of data used in this research obtained from library materials is in the form of primary data source and secondary data source, that is as follows: first Primary data source meaning data obtained directly from research subject by using direct data retrieval tool on subject of information in the primary source of data in this study includes books or articles of expert thoughts on Civil Society and Management of Corporate Social Responsibility and the concept of Maqashid Al Shariah. Second Sources of secondary data means the data obtained from other parties, not directly from the subject of his research, but can support or relate to the theme raised.

Next is the process Data collection is a systematic and standard procedure to obtain the necessary data, in this case there will always be a relationship between data collection techniques with research problems that want to solve. data collection is nothing but a process of data procurement for research purposes.

The way of collecting data in this study, researchers using documentary techniques, documentary techniques is a way of collecting data through written relics, such as archives, propositions or laws and others related to research problems.

After data collection process next is Data Analysis. In the data analysis, the researcher uses descriptive method of analysis that is, an attempt to collect data and compile data then cultivated the analysis and interpretation or interpretation of the data In this case is intended to get a conclusion about how the opinion of experts about the concept of civil society and the management of Corporate Social Responsibility based on Maqashid Al Shariah to companies in Indonesia. whether the existing management Social Responsibility already in accordance with the guidance in Islam (Sharia) or not. And then whether the management of Corporate Social Responsibility has a share in the formation of civil society.

4 FINDING

Findings in this discussion include; First: The concept of civil society is actually a concept of Western-style Civil Society in "Islamization" although some argue that it is actually the concept of Civil Society that mimics the concept of Islamic civilization in the time of the Prophet Muhammad SAW but the concept is only developed by western thinkers. such as what is conveyed by Anwar Ibrahim, Nurcholis Madjid, Naquib Al Attas and other Islamic experts who in general is a society that leads to the values of civilization, the society that lays the principles of the basic values of a harmonious and balanced society.

Second: Management of Islamic CSR is a management based on the fulfillment of the five basic rights (usulul khamsah) covering the fulfillment of religious rights, the right to get education, the right to obtain health, offspring, and right to get justice and prosperity economically which in the management is not there are elements that are contrary to the shari'a of Islamic law. because further according to Chapra (2000), the purpose of sharia is to improve the better life of all mankind.

In the context of corporate social responsibility management at least There are five objectives that must be obtained in the implementation of the program that is consistent with the goal of sharia, namely through the protection of faith or religion (din) ie freedom in implementing faith and religion of each individual with programs related to the implementation of worship development of worship facilities for stakeholders then the protection of the soul (*nafs*) in fulfilling all the desires that are positive and not interfere with other individuals that is with the increase of security and comfort, then the improvement of intellectual (aql) that is the freedom to get education and the provision of training, and *nasl* care freedom in the continuity of family ancestry and honor *manusia* by providing health insurance and old age pensions, as well as the maintenance of property (*maal*) that get and ease in managing property establishing cooperatives, banks or services sipan lending to the company's stakeholder.

Third: Proper management of CSR can certainly strengthen or increase the accumulation of social capital in order to improve the welfare of the community. And in the Muslim community, the Islamic CSR management will be able to encourage the creation of a just and prosperous society in the perspective of Islam and by raising a sense of justice and welfare for the community will create awareness of the importance of the Brotherhood, Equality, Tolerance, Deliberation, Justice social, Mutual

counseling, and Balance as a hallmark of civil society.

5 CONCLUSIONS

The conclusion in this discussion is corporate social responsibility is an obligation for every company as its responsibility to society and environment which obligation is contained in UU no 47 year 2007 about PT. then the management of corporate social responsibility should be implemented properly and correctly and should be in accordance with the guidance of Islam (sharia) as a guarantee of its usefulness in accordance with the goals of Islamic sharia (Maqashid Al Shariah).

Management of corporate social responsibility in Islamic is the management of corporate social responsibility based Maqashid Al Shariah is a management that aims at the fulfillment of human rights according to sharia objectives of religious rights, guarding rights and the fulfillment of psychiatric needs, the right to obtain education and improving intellectuality, , and economic and welfare rights that all such rights can be fulfilled by the company as a form of its social responsibility to the stakeholder and the wider community.

With the fulfillment of the rights above, the society will be able to feel the welfare that they expect and will eventually be able to make them a civilized society in accordance with the concept of civil society or civil society ie people who want to deliberate, social justice, mutual counseling, uphold the sense of brotherhood, equality rights, and tolerance.

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