

Relationship of The Corporate Social Responsibility (CSR) and The Community Paradigm to Shape The Competitive-Advantage of Pesantren Management

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Abstract. The applied of corporate social responsibility (CSR) in Pesantren management is a social approach strategy with attentive the role of Pesantren, except to attentive the economic and the ecologic interest also can to interactive with the community. There are existing community interactively give pressure in CSR activities, the community paradigm is very important to result the competitive advantage of Pesantren management. The aim in this paper is to identify the influence and contribute of CSR and the community paradigm to form the competitive advantage of Pesantren management at Jombang. There was used structural equation modeling (SEM) as quantitative data analysis to found validity and reliability test of instrument. The examined of structure model was found Chi Square value=29.06, P value=0.087>0.05, RMSEA = 0.048<0.08, and GFI=0.96 > 0.9 that means the model is fit. From the analysis result seem that CSR was found significance both correlated and contributed in the community paradigm with 9.36 estimation value, and it in the competitive advantage of the Pesantren management with 7.90 estimation value. But the community paradigm was not found significance influence in the competitive advantage of Pesantren management.

Keywords: *CSR(Corporate Social Responsibility), Community Paradigm, Pesantren Management, Competitive -Advantage.*

1. Introduction

Pesantren or Pondok Pesantren are Islamic boarding schools in Indonesia. The highly Pesantren development with the true managerial consideration made many the Pesantren increased as corporate business and integrated with variant of other profit business. Halim [4] wrote amount 21,521 Pesantren unit and established almost to distribute whole Indonesian region areas. Its impact all of Pesantren survival established so that to be acceptance at the center of global economic dynamical. The Pesantren capable to get by other corporate business side so that the development of Pesantren is the business development with education and business consequent.

Applied of Corporate Social Responsibility (CSR) on the Pesantren management is social approach strategy with attention the Pesantren role besides attention economic and environment importance together able to interacted with the community. Established of the community interaction to give pressure on CSR activities, the community paradigm role is very important to make the Pesantren competitive-advantage.

CSR is a concept of the integrated business with social attention and environment for business operation on them interaction with community as volunteer way has becoming the interesting attention of World Business Council for Sustainable Development (WBCSD), World Economic Forum (WEF), Institute for Global Ethics thus World Bank Institute and Global Reporting Initiative (GRI) that to make application standart (<http://europa.eu.int>, 2001).

CSR role as business control for social environment of course don't be attempt by the both private and government modern Pesantren at Indonesia, but really CSR has formed from the around community contemplation for all Pesantren activities. To need pioneer of CSR application of Pesantren with included stakeholder, government and community where this propose starting with to develop the community paradigm for social responsibility that has been done Pesantren recently. In this paper we have focused to know CSR approached for Pesantren of community paradigm basic on to formed the Pesantren competitive-advantage to get ISO 26000.

2. Research Methodology

The study analysis a quantitative research uses three variable with one exogen variable (ξ_1), and two variables, that is both community paradigm (η_1) and competitive-advantage (η_2). The existing of causal relationship of the third factor above that to be valued with community paradigm basic that to be at around of Pesantren, so that statistical analyses used SEM (Structural Equation Modeling), to show the third activities jointly, it is validities checking and instrument reliabilities, the test of relationship model between variable and to get the fit model for estimate [15]. The path diagram formed certainly by theories proportion that from the thinking frame or empirics of problem that will be analyzed. Path analyses (SEM) is a multi-regression analysis form, with the equation model is shown in figure 1.

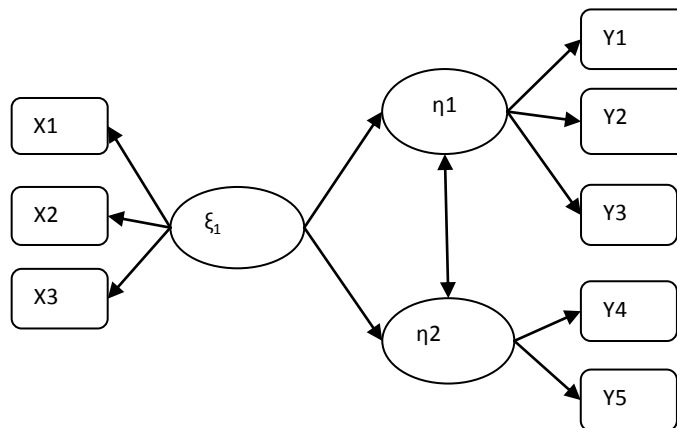


Figure 1. Structural Equation Model

3. Analysis and Results

Basic from analysis results obtained are 29.06 Chi-Square value and P value = 0.087 > 0.05, RMSEA = 0.048 < 0.08 and GFI = 0.96 > 0.9 that means the model is fit. The fit structural model is shown in figure 2.

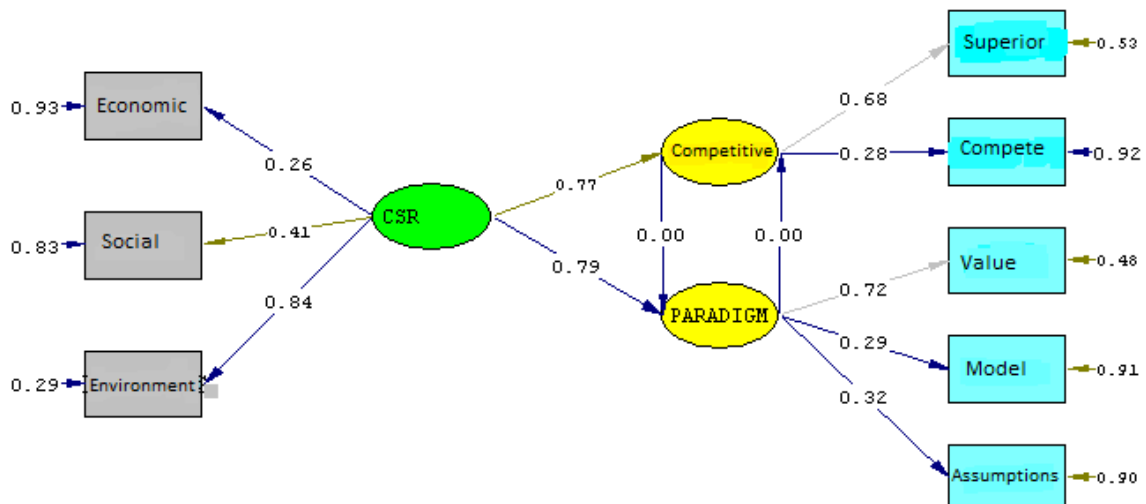


Figure 2. Structural Model of Factors that Influence of The Pesantren Management of The Advantage-Competitive

Future analysis are the test a both of construct validity and indicator reliability. The measuring is found correlation coefficient value between both the construct indicator and total score.

3.1. CSR

Data analysis result on the indicator formed of CSR is shown in figure 3.

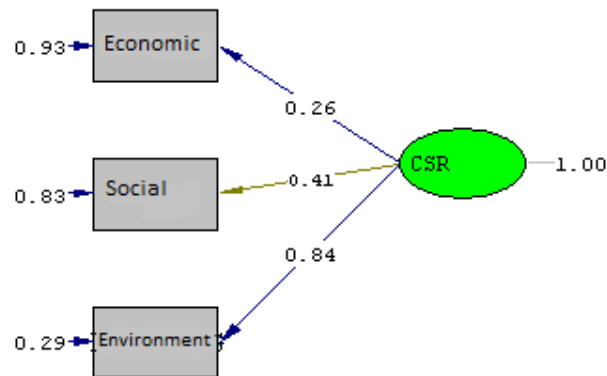


Figure 3. CSR Measurement Model

The measurement model basic from figure 3 can be created resume table that seem information about indicator validity and reliability that formed CSR latent variable.

Table 1. Validity and Reliability Coefficient of CSR Instrument

No.	Factor	Coefficient of validation (λ)	Coefficient of Reliabilities ($1 - \delta$)
1.	Economic	0,26	0,93
2.	Social	0,41	0,83
3.	Environment	0,84	0,29

From data of table 1 and figure 3 obtained conclusion are economic, social and environment to received significant influence for CSR. From the thirty factor of the CSR formed seem as social and environment factor is valid, and economic factor is invalid. The reliable of CRS formed factor is social and economic factor, and environment factor is non reliable. Its means the CSR formed factor that valid and reliable is social factor.

3.2. Community Paradigm

The analyses result with used SEM for relationship between the community paradigm and Pesantren competitive-advantage is shown in figure 4.

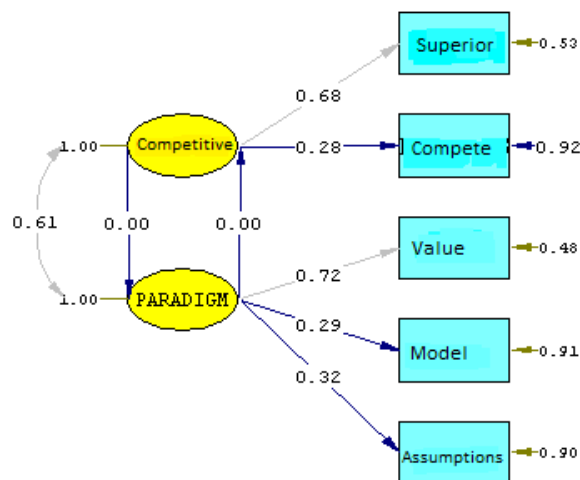


Figure 4. Model of Paradigm and Competitive-Advantage Measurement

The basic of figure 4, as information about validity and reliability coefficient of the community paradigm latent variable formed, then be arranged on the table 2.

Table 2. Coefficient of The Community Paradigm of Validities and Reliabilities Instrument

No.	Factor	Coefficient of validation (λ)	Coefficient of Reliability ($1 - \delta$)
1.	Assumed	0.32	0.90
2.	Model	0.29	0.91
3.	Value	0.72	0.48

On the table 2, showed are variable formed of paradigm latent variable, that including assumed, model and value factor are given significant influenced for community paradigm. The community paradigm formed factor that valid is assumed factor.

3.3. Competitive-Advantage

For the competitive-advantage latent variable latent formed factor that including both the competitive and advantage factors are given significant influences for the competitive-advantage.

Table 3. Coefficient of Validity and Reliability Instrument for Competitive-Advantage

No.	Factor	Coefficient of validation (λ)	Coefficient of Reliability ($1 - \delta$)
1.	Advantage	0.68	0.53
2.	Competitive	0.28	0.92

In table 3, shown the formed factor competitive-advantage latent variable, that involved the competitive and advantage factor, to give significant influence for competitive and advantage. The formed factor of the valid and both the reliable of advantage and competitive are advantage factor.

3.4. Structural Equation Model

The result test of the structural model suitable output as follow:

Reduced Form Equations

1. COMPETITIVE = 0.66*CSR, Errorvar.= 1.08, $R^2 = 0.29$
2. PARADIGM = 0.37*CSR, Errorvar.= 0.046, $R^2 = 0.75$

The result was be obtained of this observe that the first model have R^2 value amount 0.29, its means the first model able to explained 29 % from the change latent variable of competitive-advantage. The second model able to explained 75 % from the change latent variable of community paradigm. The model of for figure 4 showed that CSR had positive correlation with competitive-advantage Pesantren on the correlation value of 0.77, and positive correlation with community paradigm with the correlation value of 0.79.

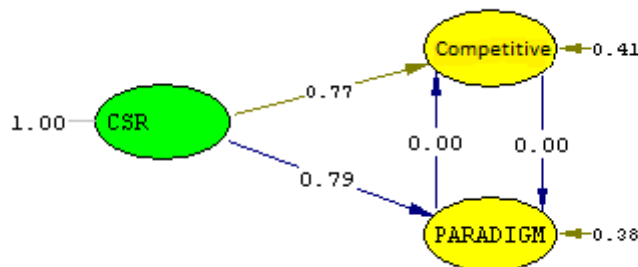


Figure 5. Model of CSR Structural, Community Paradigm and Competitive-Advantage

3.5. Hypothesis Test

Influence analysis between both exogen and endogen variable can be seen from the structural coefficient estimation and T-value from each parameter. The resume ways of calculation analysis result of structural estimation value can be seen in table 4.

Table 4. Coefficient of both the Validities and Reliabilities Instrument of Competitive-Advantage

No.	Variable	Parameter	Estimation	T-value
1.	Paradigm	-	9.36	9.75
2.	Competitive	-	7.90	5.97

Basic from table 4, can be explained that the influence illustration of CSR exogen as follow:

- There are direct influence and significant between CSR and the Pesantren management competitive-advantage, namely with estimate value of 9.36 and T-value $9.75 > 1.96$. Its means to refuse H_0 ;
- There are direct influence and significant between CSR and community paradigm, namely with estimate value of 7.90 and T-value $5.97 > 1.96$. Its means refuse H_0 ;
- There aren't direct influence and significant between the community paradigm and the Pesantren management competitive-advantage, its means to accept H_0 ;
- There aren't direct influence and significant simultaneously between CSR and community paradigm for Pesantren management competitive-advantage, that means to accept H_0 .

4. SUMMARY AND CONCLUDING REMARKS

The analysis result was obtained the influence and significant between CSR and the Pesantren competitive-advantage. This case show that to many the CSR role will to increase the Pesantren position as institutions of competitive-advantage. Jalal [8] has noted that the institution attention for CSR will to increase the institution quality about. Arief Rahman [12] has added that CSR as a implication that capable to create the institutions competitive-advantage on to front the global issues.

The community paradigm have get the role that most important for the CSR activities. The tested result show that there are the significant correlation between CSR and the community paradigm, where the increasing of community attentions will to increase the CSR functions. It is based on it the role and function, CSR is the social responsibility that need to get legitimating from the communities.

The same result was found that not influence and significant from the simultaneous between CSR and the community paradigm. This means formed the competitive-advantage Pesantren not only depend from the role and function of CSR and the community paradigm. The intern factors of pasantren themselves that give the highest role. The same suggested by Rahman [12] that to found the competitive-advantage institution must be supported by a good and advantage management. Without the supporting of good and advantage management, it is difficult to found the competitive-advantage Pesantren, although the social environment supported and it order are good sufficiently.

Basic on the structure model result that be reformed, then it can be concluded that:

- CSR given the influence and significant of it contribution to found the competitive and advantage Pesantren, with estimation value amount 9,36 and 26 % value contribution. CSR correlate positive with competitive-advantage amount 0,777. The equation form of structure is $Y_2 = 0,66X + 1,08$;
- CSR given the influence and significant of it contribution to found the community paradigm with estimation value amount 7,9 and 75 % value contribution. CSR correlate positive with competitive-advantage amount 0,79. The equation form of structure is $Y_1 = 0,37X + 0,046$;
- The community paradigm didn't give the influence and significant and it contribution to it reformed the competitive-advantage Pesantren.

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