



TECHNICAL GUIDANCE ON PREPARING CORPORATE SOCIAL RESPONSIBILITY REPORTING FOR COMPANIES IN KENDARI

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Abstract

This community service activity aims to increase the company's understanding and ability to compile and disclose *Corporate Social Responsibility* (CSR) in accordance with the Global Reporting Initiative (GRI) sustainability reporting standards. This program is carried out through Technical Guidance (Bimtek) activities to three companies in Kendari City, namely PT Bank Muamalat Kendari Branch, PT Jamkrindo Kendari Branch, and PT Satu Tiga lima Sejahtera Kendari. The implementation method includes three main stages, namely program technical guidance, the implementation of mentoring programs, as well as guidance, monitoring, and evaluation activities. The results of the activity showed a significant increase in the understanding, knowledge, and skills of the company's finance department employees in preparing financial statements that contain CSR disclosures in accordance with GRI and Sustainability Reporting Standards (SPK). Participants showed high enthusiasm and gave positive responses to the material, report preparation practices, and live demonstrations. In addition, this activity succeeded in producing outputs in the form of CSR disclosure formats in financial statements that can be used as a reference for partner companies. These findings are in line with the theory of corporate social responsibility which states that CSR is a company's commitment to contribute to sustainable development through a balance between economic, social, and environmental aspects (Carroll, 1999; Elkington, 1997). This activity is expected to strengthen the awareness of companies in Kendari City on the importance of transparency and accountability in CSR reporting and be the first step towards sustainable corporate governance.

Keywords: Community service, CSR, GRI, sustainability reporting, sustainable accounting

INTRODUCTION

In recent years, the issue of *sustainability* and corporate social responsibility (CSR) has received increasing attention at the global and national levels. CSR is basically a management concept where a company integrates social and environmental concerns into its business operations and interactions with stakeholders. Various studies say that CSR is not just a philanthropic activity, but a strategic approach that has long-term implications for the company's reputation, stakeholder relations, and sustainability. Therefore, reporting on CSR practices that cover environmental, social, and economic aspects is becoming increasingly important as a form of corporate accountability.

Sustainability reporting is a major non-financial report that provides information to investors, the public, and stakeholders about the risks, opportunities, and sustainable business practices carried out by companies. The data shows that there are currently around 600 sustainability reporting standards developing in the world, with 10–15 of them already internationally recognized. Among these standards, the Global Reporting Initiative (GRI) is the most widely used reporting framework, including in Indonesia. The standard has been a common reference since its launch in 1997 and provides a comprehensive indicator for assessing the company's environmental, social, and governance performance.

In addition to GRI, there are also other standards such as the Sustainability Accounting Standards Board (SASB) which focuses on financial risk disclosure related to ESG (*Environmental, Social, Governance*) commitments, and the International Sustainability Standards Board (ISSB) which develops new standards such as S1 and S2. However, in Indonesia, the use of GRI still dominates due to its ease of adaptation to national regulations and local business contexts.

The implementation of CSR in Indonesia also has a strong legal basis. Government Regulation Number 47 of 2012 concerning Social and Environmental Responsibility of Limited Liability Companies stipulates that every company that carries out its business activities in the field and/or related to natural resources is obliged to carry out CSR. This obligation applies not only within but also outside the company's environment, provided that its implementation must be planned and accounted for in the annual report. Companies that do not carry out social and environmental responsibilities can even be subject to sanctions as stipulated in article 7 of GR 47/2012.

In practice, good CSR implementation is not enough only through social activities, but also through the disclosure of CSR reports that are in accordance with sustainability reporting standards (SPK). Through structured and transparent CSR reports, companies can increase stakeholder and shareholder trust, strengthen consumer loyalty, improve the company's image and reputation, and drive productivity and internal innovation. CSR publications are also a means for companies to provide complete information to the public and the government, so that they can foster public trust and support for business activities.

Previous studies have confirmed the importance of disclosure and quality of sustainability reports. For example, Saraswati, Sukoharsono & Prastiwi (2022) found that banking companies in Indonesia have conducted CSR disclosures according to GRI standards but have not consistently used assurance in their reports, so the quality of disclosure still needs to be improved. Similarly, Barus, Silalahi & Ayu (2023) in a study on agricultural companies listed on the IDX found that the disclosure rate of GRI indicators increased from 33.4% in 2014 to 51.1% in 2020, showing that there is still room for development for companies to meet GRI standards. Another study by Handojo & Sukoharsono (2025) on PT Pertamina (Persero) shows that compliance with GRI standards has increased from 76% (2020) to 90% (2022), showing an increase but at the same time showing that the process of adapting GRI standards in large companies is still progressing gradually.

However, there are still many companies in the region, including in Kendari City, that do not fully understand the procedures for preparing and disclosing CSR reports based on GRI standards. In fact, these companies have an important role in regional economic development as well as social responsibility for the community around their operational areas. Based on these conditions, efforts are needed to increase the company's capacity in order to be able to prepare CSR reports that are in line with sustainability principles and can be accounted for publicly.

Therefore, the Technical Guidance (Bimtek) activity for the Preparation of Corporate Social Responsibility (CSR) Report Disclosure is carried out as a form of community service that aims to

improve the knowledge and practical skills of companies in Kendari City such as PT Bank Muamalat Kendari Branch, PT Jamkrindo Kendari Branch, and PT Satu Tigalima Sejahtera Kendari in compiling CSR reports in accordance with GRI standards. Through this activity, it is hoped that participating companies will be able to implement the principles of sustainability reporting that are transparent, accountable, and in line with applicable laws and regulations.

METHOD AND PROCEDURES

This community service activity is carried out through the Community Partnership Program (PKM) with a participatory approach between the Halu Oleo University service team and partner companies in Kendari City. The goal is to improve the company's understanding and ability to prepare *Corporate Social Responsibility (CSR)* reports in accordance with the Global Reporting Initiative (GRI) standards. This program is designed in three main stages that are integrated, namely technical guidance, program implementation, and guidance and evaluation. The first stage is Technical Guidance (Technical Guidance), followed by employees of the finance and CSR department from partner companies such as PT Bank Muamalat Kendari Branch, PT Jamkrindo Kendari Branch, and PT Satu Tigalima Sejahtera Kendari. This activity focuses on equalizing perceptions of the importance of sustainability reporting, introduction of GRI concepts and principles, and the practice of preparing CSR reports through discussions and case studies. Furthermore, the activity continued with the implementation of programs in the form of technical training and direct assistance in the preparation of CSR reports. Non-physical activities include the preparation of indicators and report structures in accordance with GRI, while physical activities are in the form of guidance on the preparation of reports in each company. The final stage, namely monitoring and evaluation, is carried out to assess the improvement of participants' understanding and the effectiveness of the program. The final evaluation shows the partner's ability to produce a draft CSR report that is more systematic, transparent, and in accordance with sustainability reporting standards

RESULTS

Technical Guidance Activities for the Preparation of Corporate Social Responsibility (CSR) Disclosures in corporate financial statements in Kendari City were carried out in three partner companies, namely PT Bank Muamalat Kendari Branch, PT Jamkrindo Kendari Branch, and PT Satu Tigalima Sejahtera Kendari. This activity is a tangible form of community service carried out by a team from the Department of Accounting, Faculty of Economics and Business, Halu Oleo University. The main purpose of this activity is to provide understanding, knowledge, and technical skills to finance employees to be able to compile and disclose CSR information transparently in financial statements in accordance with *Global Reporting Initiative (GRI)* standards and *Sustainability Reporting Standards (SPK)*.

Prior to the implementation of the activity, the service team conducted initial observations and found that most of the finance department employees at the three partner companies did not have an adequate understanding of CSR disclosure and sustainability reporting standards. Disclosure of social and environmental activities has not been carried out systematically and has not been part of the company's financial reporting. Therefore, this technical guidance activity is designed to improve the competence of participants in understanding the concept of CSR, how to identify activities that are included in social responsibility, and recording techniques in financial statements.



Figure 1

Technical guidance on the preparation of CSR disclosures at PT Bank Muamalat Kendari Branch

The implementation of technical guidance is carried out through two main approaches, namely socialization of basic CSR concepts and technical assistance in the preparation of reports. At the socialization stage, participants were given an understanding of the importance of CSR as a form of corporate responsibility for the social and economic environment. An explanation was also given regarding the legal basis for the implementation of CSR as stated in Government Regulation No. 47 of 2012 concerning Social and Environmental Responsibility of Limited Liability Companies. Meanwhile, at the technical assistance stage, participants are trained to identify relevant types of CSR activities, perform accounting records of expenses related to these activities, and compile them in a sustainability report format in accordance with GRI. The service team also provides *templates* and examples of corporate financial statements that have implemented CSR disclosures so that participants can understand their implementation concretely.



Figure 1: Documentation of service activities at PT. One Three Five Prosperous Kendari

The response of participants to this activity was very positive. Finance employees show high enthusiasm and actively participate in discussion sessions and report preparation exercises. After the activity took place, there was a significant increase in participants' understanding in compiling CSR disclosures. Participants were able to prepare *draft* reports that covered social, economic, and environmental aspects based on the principles of transparency and accountability. The results of the interviews showed that participants began to realize the importance of CSR not only as a corporate obligation, but also as a social investment that can improve the company's image and reputation in the eyes of the public.



Figure 2 : Submission of the standard format for CSR disclosure to PT. Jamkrindo Kendari Branch

This activity also produces *output* in the form of a standard format for CSR disclosure that can be used by partner companies as a guideline in reporting. This format includes the stages of identifying CSR activities, recording of CSR expenditure accounting, and preparing reports that display the social and environmental impacts of the company's activities. With these guidelines, companies are expected to be able to sustainably carry out and report on CSR activities in accordance with sustainability principles.

Theoretically, the results of this activity are in line with *the Stakeholder theory* put forward by Freeman (1984), which states that the company is not only responsible to shareholders, but also to all *stakeholders* such as employees, customers, the community, and the surrounding environment. Through the implementation of CSR, the company shows its commitment to maintaining a balance between economic and social goals, so that it can strengthen the company's legitimacy in the eyes of the public as described in *the Legitimacy Theory* (Suchman, 1995). In addition, CSR disclosure in financial statements also supports the concept of *the Triple Bottom Line* (Elkington, 1997), which emphasizes the importance of sustainability from three main aspects, namely profit (economic profit), people (social welfare), and planet (environmental sustainability). Thus, the implementation of this technical guidance not only improves the technical skills of participants in CSR reporting, but also strengthens the conceptual understanding of social responsibility as an integral part of *good corporate*

governance.

In general, the implementation of this technical guidance activity can be said to be successful because it has achieved its main goal, which is to increase the knowledge, awareness, and technical ability of finance employees in implementing CSR and reporting it transparently. Despite technical constraints such as limited time and tight schedules, the entire activity was carried out well thanks to the full support from the company and the commitment of the participants. The results of the activity show that CSR is not only a form of compliance with regulations, but also an important strategy in realizing business sustainability and building harmonious relationships with the community and the surrounding environment.

CONCLUSION

Technical Guidance Activities for the Preparation of Disclosures *Corporate Social Responsibility* (CSR) in the financial statements carried out by the team of the Department of Accounting, Faculty of Economics and Business, Halu Oleo University in three partner companies, namely PT Bank Muamalat Kendari Branch, PT Jamkrindo Kendari Branch, and PT Satu Tigelima Sejahtera Kendari, have gone well and achieved satisfactory results. This activity succeeded in improving the knowledge, understanding, and skills of finance employees in identifying, recording, and reporting CSR activities in accordance with sustainability reporting standards, especially *Global Reporting Initiative (GRI)* and *Sustainability Reporting Standards (SPK)*. In addition to generating increased technical competence, this activity also strengthens the company's awareness of the importance of social responsibility as part of a sustainability strategy and good corporate governance. The results of the activity show that a good understanding of CSR can encourage companies to be more transparent and accountable in their financial reporting. This is in line with the theory *Stakeholder* (Freeman, 1984) dan *Legitimacy Theory* (Suchman, 1995), which emphasizes that the success of a company is not only measured by the economic aspect, but also by the extent to which the company fulfills its social and environmental responsibilities. Activity outputs in the form of a standard format for CSR disclosure in financial statements have been prepared and submitted to partner companies as a guideline for further implementation. Thus, this partnership program makes a significant contribution to improving the quality of corporate reporting and supports the application of sustainability principles (*sustainability reporting*) at the regional level, especially in Kendari City.

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