International Journal of Glocal Tourism Volume 3 Number 2, June 2022 e-ISSN 2774-9606 p-ISSN 2774-9614 https://ejournal.catuspata.com/index.php/injogt



Tri Hita Karana-Based CSR: How Hotel Relates to Community during the Covid-19 Pandemic

Ni Wayan Budi Purnama Dewi¹, Ni Made Ernawati², I Gede Mudana³, Anak Agung Ayu Ngurah Harmini⁴, Ni Putu Somawati⁵ ¹Sekolah Menengah Kejuruan Negeri I Kuta Selatan, Indonesia ^{2,3,4,5}Politeknik Negeri Bali, Indonesia email: ¹budipurnamadewi@gmail.com, ²madeernawati@pnb.ac.id, ³gedemudana@pnb.ac.id, ⁴g unghar@pnb.ac.id, ⁵putusomawati@pnb.ac.id

Received on	Revised on	Accepted on
26 April 2022	5 May 2022	24 May 2022

Abstract

Purpose: This study aims to examine the implementation and develop a corporate social responsibility (CSR) model based on the Tri Hita Karana culture during the Covid-19 pandemic at the Ritz-Carlton Bali, Indonesia.

Research methods: Data collection techniques are observation, interviews and documentation studies. Data analysis was carried out with the stages of data reduction, data presentation, and drawing conclusions.

Findings: The Ritz-Carlton in Bali carried out CSR activities based on the Tri Hita Karana culture during the COVID-19 pandemic on a limited basis. Then the model development results in: CSR activities are more focused on efforts to provide assistance to fellow humans (Human), CSR activities are carried out to protect nature (Nature), CSR activities need to consider matters related to business, CSR activities respect the culture of the local community (Culture).

Implication: This research can be used as material for consideration and evaluation of hotels related to CSR activities based on the Tri Hita Karana culture during the Covid-19 pandemic.

Keywords: hotel, corporate social responsibility, Covid-19 pandemic, Tri Hita Karana.

INTRODUCTION

The Covid-19 (corona virus disease 2019) pandemic has given a very hard hit to the tourism industry in Bali. Data from the Indonesian Tourism Industry Association (GIPI) Bali shows that overall, the Bali tourism industry fell 93.24 percent (Liputan6.com, 2020). As a result, 34,716 workers in Bali have been laid off and 733 have been laid off (Tribun-Bali.com, 2020). This data shows how bad the impact of the Covid-19 phenomenon is on the tourism industry in Bali.

In the midst of the declining tourism and economic conditions of the community, corporate social responsibility is highly anticipated by the community as part of a good relationship between the company and the community. The Ritz-Carlton in Bali is feeling the impact of the Covid-19 pandemic which has caused the hotel to experience a decrease in the number of guests and affect the activities of hotel management. But on the other hand, the hotel must also maintain good relations with the community to maintain the company's image. A sustainable positive image is certainly needed by The Ritz-Carlton in Bali through its Corporate Social Responsibility program. The program run by The Ritz-Carlton in Bali will be very interesting to discuss considering that hotel management activities are experiencing disruptions.

Research studies on hotel corporate social responsibility during the Covid-19 pandemic have not been done so much. References in this regard are also limited. In fact, this condition is very interesting to study, where the hotel is experiencing disruptions in management activities, on the other hand, social responsibility is still awaited by the community. The efforts made by the Hotel related to its social responsibility during the Covid-19 pandemic will be interesting to discuss further. In this study, social responsibility in the form of corporate social responsibility activities by The Ritz-Carlton in Bali is discussed.

Wineberg and Rudolph explain that Corporate Social Responsibility is a contribution made by companies to society through core business activities, social investment, philanthropic programs, and involvement in public policy (Tanudjaja, 2006) explained that with the implementation of CSR, of course this would be able to support the creation of a harmonious, balanced, and harmonious relationship between a company or business venture with the environment, values, norms, and culture of the local community. This is also reinforced by the opinion of Elkington (Pembudi, 2005) which explains that the concept of CSR as a corporate obligation (moral and material) to consumers, shareholders, employees, society (Surya et al., 2020) and ecologically in all its aspects.

Nahar explains that the purpose of CSR is to empower the community (Nahar, 2015). Another thing is also in line with the opinion of Dianti & Mahuni which states that companies carry out CSR in accordance with social contract theory (Dianti & Mahyuni, 2018). When a company carries out CSR activities, of course this will: improve the company's image, strengthen the company's "Brand", develop cooperation with stakeholders, differentiate the company from its competitors, generate innovation and learning to increase the company's influence, open access to investment and financing for the company, increasing stock prices (Radyati, 2014).

The regulation for implementing CSR at the international level is ISO 26000, where there are seven main issues in planning CSR (Rachman et al., 2011). Then at the national level, it is regulated in laws and regulations such as: Law Number 40 of 2007 concerning Limited Liability Companies, Law Number 25 of 2007 concerning Investment, Law Number 13 of 2011 concerning Handling of the Poor, Law no. 32 of 2009 concerning Environmental Protection and Management, Law no. 10 of 2009 concerning Tourism. These regulations are of course a basic reference in carrying out CSR activities, so that the implementation of CSR by companies can be legally recognized.

The implementation of CSR carried out by The Ritz-Carlton Bali in addition to paying attention to policies, of course paying attention to the cultural aspects of the local community is very important as well. It is known that the province of Bali has developed the concept of cultural tourism which is regulated in the Regional Regulation of the Province of Bali Number 2, 2012. In Article 1 number 14 it is emphasized that "Bali Cultural Tourism is tourism in Bali which is based on Balinese Culture which is inspired by the teachings of Hinduism and the Tri Hita philosophy. Karana". If studied in more depth, the Tri Hita Karana philosophy is interpreted as a pattern of harmony to achieve harmony in carrying out all activities in daily life (Dianti & Mahyuni, 2018). The direction of this policy of course explains that Bali as cultural tourism (Sutama et al., 2017) which has a very unique philosophy and is hereditary like Tri Hita Karana and of course this emphasizes that every activity related to tourism in Bali refers to Tri Hita Karana culture includes CSR activities carried out by the hotel.

122

Dianti & Mahuni emphasize that the teachings of Tri Hita Karana can be used as the basis for implementing CSR activities (Dianti & Mahyuni, 2018). Furthermore, Pertiwi & Ludigdo stated that the elements of Tri Hita Karana's culture have similarities with the concept of "3P" which is the basis for implementing CSR (Pertiwi & Ludigdo, 2013). According to I Gusti Kaler, Tri Hita Karana is the three causes of happiness. Tri Hita Karana consists of three words, namely "tri" means three, "hita" means happiness and "karana" means cause (Cory et al., 2020; I Gede Mudana et al., 2021). Furthermore, Sukadi explains that the three causes of happiness in life are the realization of a harmonious relationship between humans and their creator (God Almighty), humans with each other, and humans with their natural environment (Sukadi, 2020). The broader essential meaning is that Tri Hita Karana is a concept of harmony and togetherness (Windia & Ratna, 2011) for the purpose of the welfare of the people, the universe, teacher chess, religious dharmas, and various other forms of local knowledge (I. G. Mudana et al., 2018).

It is hoped that this pandemic will end soon and not be repeated. However, the tourism industry is very vulnerable to various issues such as terror, disease, conflict, and so on (Leiper, 1990). In the uncertain end of the Covid-19 pandemic, the tourism industry is trying to maintain its existence with various policies implemented. The Westin Resort Nusa Dua, for example, implemented a strategy of generic functions (cost leadership, differentiation, focus) and corporate functions (production & operations, marketing, finance, resource management, accounting) during the covid-19 pandemic (Puspita et al., 2021). In addition, Wyndham Garden Kuta Beach Bali has also developed a strategic recovery plan in this Covid-19 pandemic situation, consisting of: market research and business strategy, main priorities, strategic findings, set milestones, market segment projections, and work plans (Putra, 2021). These studies show that the tourism industry continues to strive to exist during the Covid-19 pandemic.

There is no research study on hotel CSR activities based on the Tri Hita Karana culture at The Ritz-Carlton in Bali. However, several studies by Budiasni et al in 2015 (Budiasni et al., 2015), Saitri and Sunarwijaya in 2016 (Saitri & Ketut, 2016), Sari et al in 2017 (Sari et al., 2017), Dianti and Mahyuni in 2018 (Dianti & Mahyuni, 2018) and finally Dwiyanti and Mahyuni in 2018 (Dwiyanti & Mahyuni, 2018) have conducted research studies on hotel activities based on the Tri Hita Karana culture but in a different hotel. However, this present study focuses on the implementation of Corporate Social Responsibility in the midst of the Covid-19 pandemic. However, this research study considers the cultural aspects of the Balinese indigenous people. The findings in this study are in the form of a CSR model that can be used in other situations where tourism conditions are experiencing a decline.

RESEARCH METHODS

The approach used in this research is to use a qualitative approach. This study tries to identify how the model of Corporate Social Responsibility at The Ritz-Carlton in Bali is during the Covid-19 pandemic then formulate the activities referring to the Tri Hita Karana culture. This research was conducted at The Ritz-Carlton in Bali which is located in the Nusa Dua area of Badung and Ubud Gianyar. This study uses two types of data sources, namely: primary data in the form of interviews and secondary data in the form of documents, archives, memos or other written notes related to research.

Determination of informants using a purposive technique with the following criteria: Hotel personnel who make decisions, design activities, get directly involved and administer reports on Corporate Social Responsibility activities. Data analysis techniques used include data reduction, data presentation, and drawing conclusions.

FINDINGS

The Ritz-Carlton hotel in Bali carried out CSR activities during Covid-19 pandemic associated with the theory of Corporate Social Responsibility by Wineberg and Rudolph as follows. The Ritz-Carlton's Core Business Activities in Bali. Carrying out student training activities, mentoring internship student monitoring by the campus, sharing information with educational institutions and donating to herbal medicine.

The Ritz-Carlton's social investment in Bali is by carrying out cleaning activities for the local temple area, beach area, fully participating in Nyepi celebrations, donating for Nyepi celebrations, releasing turtle calves on the beach and one hour blackout.



Figure 1. Local temple cleaning activities by The Ritz-Carlton Bali (Source: The Ritz-Carlton Bali, 2021).

The Ritz-Carlton's philanthropic program in Bali is to carry out visits to orphanages, improve school facilities, provide barista lessons for children with special needs, provide English language lessons to children around the hotel, donate blood, donate to hospitals, donate to the community, donate vouchers to children, and donate to hotel employees.

124



125

Figure 2. Madapa A Ritz-Carlton reserve donation activities (Source: Madapa A Ritz-Carlton Reserve, 2021)

Activities Involvement in The Ritz-Carlton Public Policy in Bali, namely by giving donations to Banjar Adat. This donation activity is routinely carried out by the hotel every month as part of complying with the customary policies of the local community.

The implementation of CSR at The Ritz-Carlton in Bali is related to the concept of Tri Hita Karana according to Sukadi (Sukadi, 2020) as follows; The first concept is the harmony between Man and His Creator (Prahyangan) where the activities included are: Cleaning the local temple area, Participating in the Nyepi celebration, Donating for the Nyepi Celebration, Donating to the Banjar Adat. Furthermore, the harmony of human-human relations (Pawongan), namely: Coaching student training, Assisting in Monitoring Internship Students by Campus, Sharing Information to Campuses, Donating to Herbal Medicine, Visits to Orphanages, Improving School Facilities, Providing Barista Learning to Children with Disabilities, Providing Learning English to Children Around the Hotel, Blood Donation, Donation to Hospital, Donation to Community, Donation of Vouchers to Children, Donation to Employees. Finally, the harmonious relationship between humans and the natural environment (Palemahan), namely: Cleaning the beach area, releasing sea turtles on the beach, one hour activity with lights off.

Based on the above explanation, it can be seen that the CSR activities carried out by The Ritz-Carlton in Bali during the Covid-19 pandemic have fulfilled the cultural elements of Tri Hita Karana. To that end, The Ritz-Carlton's concept of corporate social responsibility in Bali based on the Tri Hita Karana culture can be explained as follows.



Figure 3. The concept of CSR based on the Tri Hita Karana Culture of The Ritz-Carlton in Bali during the Covid-19 pandemic (Source: Personal Documents)

Based on the CSR concept based on the Tri Hita Karana Culture of The Ritz-Carlton Bali in the Covid-19 Pandemic Period in Figure 3, it can be explained in accordance with the Corporate Social Responsibility Theory by Wineberg and Rudolph that the hotel has carried out CSR activities which include core business activities, social investment, philanthropic programs and involvement in public policy. The elements of the CSR concept according to Wineberg and Rudolph's theory need attention if they are associated with local culture such as the Tri Hita Karana concept. According to the concept in Figure 1, it explains that the core business activities and philanthropic programs lead to one Tri Hita Karana concept, namely human-human relations. Likewise with social investment activities that lead to more than one Tri Hita Karana concept. Therefore, it is necessary to adjust the CSR model based on the Tri Hita Karana culture for the hotel, especially in the conditions of the Covid-19 pandemic.

The findings of this study explain that hotel activities during the Covid-19 pandemic are more directed towards humanitarian activities. This certainly provides information that the CSR model during the Covid-19 pandemic is different from normal conditions, so the model needs to be adjusted. For this reason, the researchers tried to create a CSR model during the Covid-19 pandemic in accordance with the findings based on the Tri Hita Karana culture as follows.



Figure 4. CSR model combination of Wineberg and Rudolph and THK concepts (Source: personal documents)

Based on Figure 4, it can be explained about the CSR model based on the Tri Hita Karana Culture during the Covid-19 pandemic as follows. The main activity in this CSR model is related to Human. In this case, CSR activities are more focused on efforts to provide assistance to fellow human beings. The hotel designs activities that pay more attention to the needs of the community. Activities carried out can be in the form of donations to the community, such as donations of towels, bed sheets, and so on, donations to employees, blood donations and so on. The hotel can condition the donation to be given.

Giving the best for nature including maintaining cleanliness and sustainability is very important for the long term. In the model, this includes activities related to the natural environment (nature). The beauty of the hotel can not be separated from the natural beauty around it so that efforts to pay attention to the natural environment are very important. Of course, during the Covid-19 pandemic, hotel operations are not running, so the management is not running. On the other hand, the hotel must maintain relations with the community so that as much as possible the hotel remains present in the midst of the community. Activities that can be carried out by the hotel include cleaning the beach area, saving electricity (one hour without electricity), releasing hatchlings and so on. In this activity, the hotel can package this activity in the form of self-help of employees and the surrounding community.

Management is very important to pay attention to and as much as possible activities with the community continue but with a minimal budget in accordance with the condition of the hotel. In the model, this includes activities related to business. This is a challenge for the hotel related to this condition. The hotel can make efforts such as communicating through social media or personally to loyal hotel customers to raise funds to carry out CSR activities. This will also give a positive impression that the hotel is still operating actively. In addition, this CSR activity will also carry the mission of realizing a good image of the hotel in the eyes of the community, building a positive image for the hotel itself and of course strengthening the hotel's branding.

The last is activities related to the culture or culture of the local community. Knowing more deeply about community life, including religious activities and traditional activities, is very important. CSR activities related to religion are indeed interrelated with cultural activities such as piodalan activities at temples. This is what makes religion and culture inseparable, especially for the Balinese people. Based on this, the concept of human relationship with God becomes part of the culture. The hotel must be able to be present with the community to maintain and preserve the culture of the local community. This is also an important point, especially during the Covid-19 pandemic, considering that the current difficult situation in society needs to get support, especially with regard to customs and culture so that it is always sustainable. Activities that can be carried out by the hotel, in this case, are donations to traditional banjars for religious activities, supporting religious holidays, and so on.

128

CONCLUSION

Even though the Covid-19 pandemic has had a negative impact on hotel operations, The Ritz-Carlton in Bali continues to carry out CSR activities. The implementation of CSR has fulfilled the cultural elements of Tri Hita Karana. The development of CSR models carried out by researchers consists of: Human, namely CSR activities are more focused on efforts to provide assistance to fellow human beings. Nature is an activity that provides the best for nature, including maintaining cleanliness and sustainability. Business is an activity related to managerial. And lastly, Culture is related to the culture of the local community, including related to religion. In general, the model developed by the researcher received a positive response from The Ritz-Carlton in Bali.

ACKNOWLEDGEMENTS

The authors would like to thank all parties in Tourism Business Planning Politeknik Negeri Bali and in The Ritz-Carlton in Bali who have supported and contributed to the writing of this research article.

REFERENCES

- Budiasni, N. W. N., Atmadja, A. T., & Herawati, N. T. (2015). IMPLEMENTASI CORPORATE SOCIAL RESPONSIBILITY BERDASARKAN KONSEP TRI HITA KARANA (Studi Kasus Hotel Comoshambala Estate Di Banjar Begawan, Kecamatan Payangan, Kabupaten Gianyar). *JIMAT (Jurnal Ilmiah Mahasiswa Akuntansi) Undiksha, 3*(1). https://doi.org/10.23887/JIMAT.V3I1.4618
- Cory, P., Yhani, C., & Supastri, M. (2020). Filsafat Tri Hita Karana sebagai landasan menuju Harmonisasi dan Hidup Bahagia. *SRUTI: Jurnal Agama Hindu*, *1*(1), 36–44.
- Dianti, G. P., & Mahyuni, L. P. (2018). PRAKTIK CORPORATE SOCIAL RESPONSIBILITY (CSR) PADA INTERCONTINENTAL BALI RESORT HOTEL: EKSPLORASI BERBASIS PENDEKATAN FILOSOFI TRI HITA KARANA a. Jurnal Ilmiah Akuntansi Dan Bisnis, 3(1), 12–22.
- Dwiyanti, N. K., & Mahyuni, L. P. A. L. (2018). PENERAPAN CORPORATE SOCIAL RESPONSIBILITY (CSR) PADA INDUSTRI PERHOTELAN: STUDI KASUS PADA THE TANJUNG BENOA BEACH RESORT a. Jurnal Ilmiah Akuntansi Dan Bisnis, 3(2), 153–160.
- Leiper, N. (1990). *Tourism Systems: An Interdisciplinary Perspective.* Departement of Management Systems, Business Studies Faculty, Massey University, Palmerston North.
- Liputan6.com. (2020). Gara-Gara Corona, Industri Pariwisata Bali Anjlok 93 Persen - Bisnis Liputan6.com.

https://www.liputan6.com/bisnis/read/4236767/gara-gara-corona-industripariwisata-bali-anjlok-93-persen

- Mudana, I. G., Suamba, I. B. P., Putra, I. M. A., & Ardini, N. W. (2018). Practices of Bali Tourism Development, Threefolding, and Tri Hita Karana Local Knowledge in New Order Indonesia. *Journal of Physics: Conference Series*, 953(1), 012108. https://doi.org/10.1088/1742-6596/953/1/012108
- Mudana, I Gede, Ernawati, N. M., & Voda, M. (2021). Analysis Of The Evolving Cultural Tourism Implementation In Bali Indonesia. *Multicultural Education*, *7*(6).
- Nahar, A. (2015). ANALISIS PRAKTIK CORPORATE SOCIAL RESPONSIBILITY PERUSAHAAN FURNITURE DI KABUPATEN JEPARA. *Journal of Accounting and Investment*, *13*(2), 116–129.

Pembudi, T. S. (2005). CSR Suatu Keharusan dalam Investasi Sosial. Puspinsos.

- Pertiwi, I. D. A. E., & Ludigdo, U. (2013). Implementasi Corporate Social Responsibility. *Jurnal Akuntansi Multiparadigma*, *4*(3), 430–445. https://doi.org/10.33649/pusaka.v1i1.10
- Puspita, N. P. L. A., Astawa, I. P., & Mudana, I. G. (2021). Hotel Strategy in Facing the Covid-19 Pandemic (The Westin Resort Nusa Dua Experience). *INTERNATIONAL JOURNAL OF GLOCAL TOURISM*, 2(1).
- Putra, R. A. B. N. (2021). Strategic Recovery Plan: The Resilience of Wyndham Garden Kuta Beach Bali after Major Impacts of Covid-19 Pandemic. *INTERNATIONAL JOURNAL OF GLOCAL TOURISM*, 2(1).
- Rachman, N. M., Efendi, A., & Wicaksana, E. (2011). *Panduan Lengkap Perencanaan CSR*. Penebar Swadaya.
- Radyati, M. R. N. (2014). Sustainable Business dan Corporate Social Responsibility (CSR). CCET.
- Saitri, P. W., & Ketut, I. S. (2016). PENGARUH CORPORATE SOCIAL RESPONSIBILITY BERBASIS TRI HITA KARANA TERHADAP KESEJAHTERAAN MASYARAKAT (STUDI EMPIRIS PADA MASYARAKAT DESA SANUR). *Prosiding Semnas Hasil Penelitian, 0*(0).
- Sari, I. D. A. M., Kadek Sinarwati, N., & S, A. W. M. (2017). IMPLEMENTASI CORPORATE SOCIAL RESPONSIBILITY (CSR) DAN DAMPAKNYA TERHADAP KINERJA KEUANGAN PADA INDUSTRI PERHOTELAN (Studi Kasus Pada Melia Bali Hotel). JIMAT (Jurnal Ilmiah Mahasiswa Akuntansi) Undiksha, 8(2). https://doi.org/10.23887/JIMAT.V8I2.10452
- Sukadi, S. (2020). Apakah Tri Hita Karana dan Pancasila Dua Ideologi yang Identik? (Satu Kajian Ontologis). *Purwadita : Jurnal Agama Dan Budaya*, *4*(1), 47–58.
- Surya, P. R. A., Budarma, I. K., & Mudana, I. G. (2020). Three-Cluster Policy in the Implementation of Corporate Social Responsibility at InterContinental Bali Resort. International Journal of Green Tourism Research and Applications. http://ojs.pnb.ac.id/index.php/IJOGTRA/article/view/1874
- Sutama, I. K., Mudana, G., & Astawa, K. (2017). BALINESE CULTURE AND REPEAT VISITORS TO BALI. *IJASTE-International Journal of Applied*

[130 **]**-

Sciences in Tourism and Events, 1(1), 59. https://doi.org/10.31940/IJASTE.V1I1.536

- Tanudjaja, B. B. (2006). PERKEMBANGAN CORPORATE SOCIAL RESPONSIBILITY DI INDONESIA. In *Nirmana* (Vol. 8, Issue 2). https://doi.org/10.9744/NIRMANA.8.2.PP. 92-98
- Tribun-Bali.com. (2020). 34.716 Pekerja di Bali Dirumahkan, 733 Orang di PHK Karena Pandemi Virus Corona, Terbanyak di Badung. https://bali.tribunnews.com/2020/04/11/34716-pekerja-di-bali-dirumahkan-733-orang-di-phk-karena-pandemi-virus-corona-terbanyak-di-badung
- Windia, W., & Ratna, K. D. (2011). *Analisis Bisnis Berlandaskan Tri Hita Karana*. Udayana University Press.