

CONSTRUCTING A HIERARCHICAL PYRAMID OF CORPORATE SOCIAL RESPONSIBILITY: A MODEL FROM LEGAL AND ECONOMIC TO SPIRITUAL OBLIGATION

Eko Ganis Sukoharsono¹, Purweni Widhianingrum², and Alan Smith Purba³

^{1,2,3}Accounting Department University of Brawijaya

ABSTRACT

Purpose — The objective of the study is to construct a hierarchical pyramid of corporate social responsibility which provides a new model from economic to spiritual obligation of a corporation.

Design/methodology/approach — The research method of the study utilizes an imaginary dialogue of the postmodernist paradigm. The imaginary dialogue is used of two persons which are an accountant and a stockholder of a company.

Findings — The result of the study is a hierarchical pyramid of corporate social responsibility constructed. The study also defines detail of the levels. Firstly, the legal obligation is the basic obligation which a corporation has responsible for obeying the law. Secondly, the economic obligation is a corporate responsibility for accelerating economically and profitably for the corporation going concerned. Thirdly, the social philanthropic obligation is responsible for caring society as a large. Fourthly, the environmental obligation is responsible for preserving natural environments like a large. Lastly, the spiritual obligation is responsible for being fully aware of the internal corporation, society, environments, state, and God.

Practical Implications — The hierarchical pyramid is a model of corporation obligations started from the level of legal, economic, Social philanthropic, environmental, and spiritual obligations.

Originality/value — The model of this study is derived from the analysis of corporate obligation using a postmodernist paradigm.

Keywords: corporate, economics, postmodernism, economic obligation, spiritual obligation

Paper Type Research Paper.

INTRODUCTION

Prologue and Sustainability Issues

A hierarchical pyramid of corporate social responsibility (CSR) is needed. Why is it needed? It is because stakeholders, especially CEO of corporations, are seeking a position of their business obligations. Nowadays, CEOs of corporations do not want to be claimed as only focus on getting profit. Many of them concern about expanding their company's obligation to wider aspects, such as environmental and social responsibilities.

To explore the study, the postmodernist paradigm is used to discuss and construct the purpose of the study. The purpose is to construct a hierarchical pyramid of corporate social responsibility (CSR) by using an imaginary dialogue between a sustainability accountant and a stockholder of a corporation. For the two persons, it would be discussed in the next chapter. Both are having good knowledge of CSR and Sustainable Development. Both also are aware of the important understanding of CSR to sustain the businesses. No CSR is no business. Here is their conversation began:

Sustainability Accountant: Stockholder (with serious facing sharply), we are going to start a conversation on the importance of CSR. I hope that you are sure about our discussion topic. I really hope there is no appointment to stop our discussions until finish.

Stockholder: Indeed (with calmly), no other appointment made it. I am ready to spending time until the finish in the discussions.

I agree with your idea, Sustainability Accountant, of the topic to be explored in detail. Sustainability Accountant: (withholding a cellular phone to be recorded), yes ... no we start it ...

To my knowledge, To balance the business exploitations, Corporate Social Responsibility (CSR) concept is introduced. CSR is a challenge for corporations in applying moral standards to practice their responsibilities. What do you think Stockholder?

Stockholder : For me, as an Accountant, Profit is the important target. But for now and for most, the main corporate goal, profit only, is not enough. That is my thought.

Sustainability Accountant : That is good (with raising his thumb up ...). As Sukoharsono (2007 and 2011) pointed out, corporations must connect to the social aspect by improving the quality of life of the community and the environment surrounding their corporation activities.

Please read Sukoharsono (2019), CSR concept is currently designed by introducing the 5Ps: People, Planet, Profit, Phenotechnology, and Prophet

Stockholder : Yes, my close friend showed the article. I think the article makes a breakthrough on the new concept of spirituality on CSR. He introduces the 5Ps where it makes the people waking up.

Stockholder :Accountant, please look at this (by showing the law document). The Indonesian government regulates CSR with Law of 40 of 2007: Limited Liability Corporation, Law of 25 of 2007: Investment and Ministerial Decree of SOE No. 05/-MBU/2007: Partnership Program State-Owned

Enterprises with Small Business and
Community Development Program.

The dialogue is still continuing wherein the discussions Sustainability Accountant and Stockholder are trying to focus on the law documents. The regulations state that social and environmental responsibility is mandatory and the corporation should build relationships with the environment, local community, values, norms, and culture. Moreover, the corporation should disclose its CSR activities in a sustainability report.

Stockholders of corporations have struggled with the issue of the corporate's responsibility to its environment and society as a large. From the beginning of Luca Pacioli Double Entry Bookkeeping concept, it was argued by many that the corporation's sole responsibility was to provide a maximum economic value to stockholders. The economic value is meant as a financial return. Today with the development of people awareness, the corporation has moved its responsibility into the triple bottom line which is economic, social, and environmental aspects. The triple bottom line was updated by Sukoharsono (2019) which became 5Ps (Profit, People, Planet, Phenotechnology, and Prophet Aspects). With the 5Ps modification, it would be argued that corporate social responsibility should be change with a new model of the hierarchical pyramid.

Stockholder : 5Ps introduced by Sukoharsono (2019) are really relevant for now, where we must be aware of the use of technology and of course, we are from the East, spirituality is our distinction.

5Ps are basically the implementation of CSR, but of course, we must explore its details further through this dialogue.

Sustainability Accountant : (with moving his chair ...), CSR has emerged for a long time actually. Berle and G Means (1993), launched their book entitled "The Modern Corporation and Private Property", which

argued that modern corporations should transform themselves into social institutions, economic institutions rather than simply maximizing profits.

Stockholder : Yes ... totally I agree, even though in terms of dividend, I will get it less... ehm ... ehm

Sustainability Accountant : See this Stockholder ... (by showing a book), in early 1970 a change of the consciousness of the world community impacted the corporation's activities. Awareness of the impact (both positive and negative) of the corporation leads to pressure and demands addressed to the corporation, in order to expand the corporation's social responsibility. The responsibility of managing an organization that was originally only to the stockholders or shareholders (owners) shifted the stakeholders (stakeholders), which consist of owners, employees, governments, and society at large.

Sustainability Accountant : See ... Not only is like you as Stockholder alone. Now corporations respect and look into employees, society at large, preserving the environment, and government too. Committee for Economic Development (CED) is a non-profit and non-partisan 200 member senior American corporate executives and university leaders is the phenomenon leading to the 1971 report titled "Social Responsibilities of Business Corporations". The report uses "Three Concentric Circles", stated: Firstly, the inner circle included basic economic functions growth, products, jobs. Secondly, the intermediate circle suggested

that the economic functions must be exercised with a sensitive awareness of changing social values and priorities. And thirdly, the outer circle outlined newly emerging and still amorphous responsibilities that businesses should assume to become more actively involved in improving the social Environment (Carroll, 1991).

Stockholder

: Yes, I understood it.

According to Sukoharsono (2010), "Three Concentric Circles" can be understood that:

1. Inner Circle of Responsibilities

In this circle of business, organizations are expected to carry out economic growth, produce goods/services, and provide jobs to the community activity.

2. Intermediate Circle of Responsibilities

Demonstrate responsibility to carry out economic functions while at the same time have a sense of awareness of changing values and social priorities such as increased attention to environmental conservation, employee relations, the increasing expectations of consumers to obtain clear product information, as well as treatment fair to the employees in the workplace

3. Outer Circle of Responsibilities

This includes the corporation's obligation to be more active in improving the quality of the social environment.

Pressure and demands against the corporation resulted in the development of social accounting (Maksum and Kholis, 2003). According Estes (1976: 3) "The term social accounting is defined as the measurement and reporting, internal or external, of information concerning the impact of an entity and its activities on society". Siegel and Marconi (1989: 499) states "Social accounting is defined as the ordering, measuring and analytic of the social and economic consequences of governmental and

entrepreneurial behavior". The sentence above if freely translated states that social accounting is defined as the measurement and reporting, internal or external, of information relating to the impact of a corporation and its activities on the surrounding community (Masnila, 2006). It can be concluded that social accounting is a measurement tool, documenting, and reporting both financial and nonfinancial interactions associated with an organization with the physical environment and social environment.

Social accounting developed in line with the development of corporate social responsibility. Kotler and Lee (2005: 3) state "Social responsibility accounting is a commitment to improving community well, being through discretionary business practices and contributions of corporate resources". Furthermore, the World Business Council for Development Sustainable illustrates that "Social responsibility accounting as 'business' commitment to contribute to sustainable economic development, working with employees, their families, the local community, and society at large to improve their quality of life". (Kotler and Lee; 2005).

A change in society's view of the existence of an enterprise is also reflected in the results of the study. Environics International shows the results of research that says most of the people in 23 countries give attention to the social behavior of firms (Gupta, 2003). Consumers are increasingly looking for products and services that more attention to environmental issues, so the choice of products tends to become subjective. Corporations that neglect environmental issues will find it difficult to compete. Bankers and Investors are also beginning to understand that environmental problems could pose a risk and this should be considered when deciding to lend or invest (Medley, 1997).

A major breakthrough in the context of SRA, by John Elkington (1997) in his book: "Cannibals with Forks, The Triple Bottom Line of Business Twentieth Century". Elkington developed the concept of the triple bottom line in terms of economic prosperity, environmental quality, and social justice. Through this concept, Elkington argued that corporations that want to continue running the business should pay attention to 3P of profit, people, and the planet. Corporations that run their business is not justified merely in pursuit of gain (profit), but they also must be involved in the fulfillment of the welfare of society (people), and

actively participate in protecting the environment (planet). These three principles are mutually supportive in the implementation of SRA programs.

Since this Elkington spark could be said SRA increasingly fast scrolling, and even louder after the World Summit in Johannesburg in 2002, which stressed the importance of corporate social responsibility. In Asia, the concept of SRA evolved since 1998, but at that time there has been an understanding and a good understanding of the concept of SRA. Meanwhile, in Indonesia, the concept of SRA is becoming a hot issue since 2001. Changes society's views, investors, and governments, in turn, encourage corporations to show the form of Social responsibility accounting is not limited to the repair activity of the composition, quality, and safety of products produced, but also in engineering and production processes, as well as the use of human resources.

Social Responsibility Accounting (SRA) appears also because there are some disadvantages of conventional accounting reporting. Some of the limitations of traditional financial accounting, namely:

1. Focus Financial Accounting

Financial accounting focuses on the needs of information the parties involved in decision making. The focus tends to be limited to the stakeholders with financial interests in the entity and the information provided tends to be financial or economic. This has the effect of restricting access to information by people who are affected in a way that non-financial.

2. Materiality

Materiality tends to inhibit the reporting of information on social and environmental fields, because of the difficulty in measuring social and environmental costs. The idea of 'materiality' tends to precede the social and environmental reporting information, with the difficulties associated with the calculation of social and environmental costs. Paragraph 4.1 of the Accounting Standard Board, said that material information if the omission, misstatement, or non-report has the potential to have adverse effects, namely:

- a. Decisions on the allocation of scarce resources are made by the user entity's financial statements.
- b. Discharge of accountability by management or regulatory agencies such entities.

As highlighted in Gray, Owen, and Adam (1996), another issue that arises is that the entity is reported frequently to discount liabilities, especially liabilities that will not last for several years against the present value. This goal is to make future expenditures less significant in the current period.

3. Liabilities

Liabilities to Present Value Entities often do not calculate obligations, especially obligations that will not be resolved within a few years into the present value so that this obligation will continue to exist. This tends to make future expenditures less significant in the current period.

4. Assumptions Entities

Adopted Financial Accounting entity assumption, which considers the organization as an entity separate from its owner, other organizations, and other stakeholders. If a transaction is ignored for accounting purposes, this means that the externalities are performed by the reporting entity are also ignored, so that the performance measures (such as profitability) is reported to be incomplete. Reported earnings in the financial statements are not influenced by externalities factors.

5. Definition of Expenses

Expenditures are defined in such a way as to negate any impact on the recognition that resources are not controlled by the identity (such as the environment), except for fines or other cash expenses resulting from the activities of the corporation.

6. Measurability

There are issues about how to measure or assess an item. For items to be recorded for financial accounting purposes, they must be calculated with reasonable accuracy and logical. For example, in Australia, the concept of the financial statement no. 4, states that the recognition criteria for accounting elements (assets, liabilities, expenses, and income) depend on the item that has a cost or other value that can be calculated and can be trusted.

Traditional financial accounting is often criticized for the external impacts caused by the entity. Some of these effects relate to social and environmental implications of the report and the operating entity that would include something like the effect of which will be raised through pollution caused by this entity, or injuries caused by the use of this entity.

Postmodern Paradigm: Imaginary Dialogue on Constructing Hierarchical Pyramid of CSR

The postmodernist paradigm is carried out in the process of building understanding on a hierarchical pyramid of CSR. For more than 30 years now, corporation CEOs had some thoughts on the issue of the responsibility of the corporation providing a maximum financial return to shareholders. This became clear

quickly to everyone. However, this pursuit of financial gain must be carried out in accordance with the laws of the country, such as in Indonesia. CSR has emerged answering the situation where people are asking the corporations' responsibilities.

Sustainability Accountant : Now we are turning to what paradigm is used here. Chapter I has indicated that we use Postmodernist Paradigm. That is why the study is using a postmodernism paradigm in nature. It is used to construct a hierarchical pyramid model of corporate social responsibility. It is bringing some issues from the aspects of the economy to spirituality. Postmodernism is used as a distinct way to bring up ideas in researcher minds based on observed and unobserved phenomena of research under investigation (Sukoharsono, 2016, 2018).

Sustainability Accountant : Stockholder, we must be committed with it how important is Postmodernist.

Sustainability Accountant : Two researchers are made up to have a dialogue imaginarily. They are a sustainability accountant and stockholder of a corporation. A sustainability accountant is representing a male researcher who has good knowledge of sustainability accounting, where a stockholder is a female as a

- stockholder who has competency in financial and non-financial reporting.
- Stockholder : For me, I follow what you think is necessary...
- Sustainability Accountant : The object of this study is a hierarchical pyramid model of corporate social responsibility. The model would be created as a way to assess the level or strata of an organizational CSR implementation.
- Sustainability Accountant : Some possible data are used from the organizations' sustainability reports. It is believed that the sustainability reports could have pictures of their CSR activities.
- Stockholder : yes, I know about this. The sustainability report that is used as the object of the study is the most recent publication that has implemented the GRI Guideline as a guide for making sustainability reports. From this statement, the study choose the 2018-2019 Group Pupuk Indonesia: Pupuk Kaltim, Petrokimia, Pupuk Pusri's Sustainability Reports as the object of this study.
- Stockholder : What are about the data sources?
- Sustainability Accountant : Ok, it is not difficult to find the data. The type of data used in this study is secondary data in the form of sustainability reports. By using secondary data, the study chooses the method of collecting literature and analyzing document data through Postmodernist analysis.
- Stockholder : That is good, since we have had Covid-19, then secondary data is an important way to find it.

Stockholder : That means that literature is very ... very important.

Literature study is a series of activities related to library data collection methods, reading and recording, and processing research materials.

Characteristics of library studies will deal directly with text or numerical data and not with direct knowledge from the field or eyewitnesses which are used to construct an analysis. Journals, books, and other reading material can be used as tools for processing literature in processing research materials.

Sustainability Accountant : The document has long been used in research as a source of data because in many ways the document as a source of data is used to test, interpret and even predict. The document that the study uses as a source of data is the sustainability report published by the corporation. Analysis of documents becomes important when the study is to examine how a document is produced/used or if the document is an expression/manifestation of important elements relevant to the phenomenon under study.

Hierarchical Pyramid Theory of Corporate Social Responsibility

Here is to think constructing a hierarchical pyramid of CSR. To construct the pyramid, the study uses the Hierarchical Pyramid Theory. It is not easy to merge the previous chapters' explorations into one single pyramid of CSR. As discussed, CSR has a rational relation to stakeholder theory, legitimacy theory, and pentuple bottom line. Of course with these, the study is to think of an exploration of a single picture of what is so-called a pyramid. The pyramid is not only one hole of level, but in fact, CSR has

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strata to be understood. That is why the study uses a hierarchy within the pyramid. To construct this thought here is a dialogue between Sustainability Accountant and Stockholder.

Sustainability Accountant : Stockholder, do you have an idea of a pyramid? I am a little bit confused about it.

Stockholder : Well, so far I remember when I read some references about the pyramid. Sustainability Accountant: In fact, this pyramid is not only just a pyramid, Stockholder ...

Stockholder : Yes, I know ... we would have so-called as a hierarchical pyramid.

Stockholder : Here is my understanding of a hierarchical pyramid as a theory.

Stockholder : The Hierarchical Pyramid Theory is a simple theory to diagnose a problem so that it can be understood at a certain level. This hierarchical pyramid is the easiest tool for understanding complex problems where the problem is broken down into the relevant elements, arranging these elements hierarchically, and finally making an assessment of these elements as well as determining which decisions will be taken.

Sustainability Accountant : I see ... that is rational for me ... please go ahead ...

Stockholder : This pyramid can also be used to identify and classify the level to which something is located. The process of arranging elements hierarchically includes grouping the elements into components that are homogeneous and arranging these

components at an appropriate hierarchical level.

Stockholder : Not only that ... Accountant ...

Stockholder : Hierarchy is also an abstraction of the structure of a system that studies the interaction function between components and also their effects on the system. This abstraction has a form that is interrelated, structured and a peak or ultimate goal descends to these sub-goals, another actor (actor) who gives encouragement, descends towards the objectives of the actors, then policies, strategies. Thus a hierarchy is a system whose levels of decisions stratify with several decision elements at each level of decision.

Sustainability Accountant : Wow ... sound is good ... anything else ...

Stockholder : A hierarchical pyramid can also be explained by constructing an arrangement of things (objects, names, values, categories, etc.) about things that have the potential to be expressed as being at the "above," "below," or "at the same level" with other. In the abstract, a hierarchy is a collection that is arranged or arranged.

It is a complex phenomenon using this. A hierarchy can link entities either directly or indirectly, and/or vertically or horizontally. The only direct link in a hierarchy, insofar as the elements are hierarchical, each of them can be positioned as superior and on the other hand in a subordinate position.

Stockholder : Look at this for indirect hierarchical ...

Indirect hierarchical links can be extended "vertically" up or down by means of multiple links in the same direction, following a path. All parts of the hierarchy that are not vertically linked to each other can link "horizontally" along a path by traversing the hierarchy to find a direct or indirect common superior, and then down again. This is similar to a coworker or colleague; each has an obligation to be responsible to the joint superior, but they both have relatively the same authority.

Sustainability Accountant : Thus, it could draw a conclusion for this point that this hierarchical pyramid model has rationality for use in placing the CSR entity carried out by a corporation. Corporate executives are given the convenience of framing their CSR policies. Unlike the model developed by Carroll (1991), this hierarchical pyramid builds five-level structures. Carroll (1991) models with four components: economics, law, ethics, and philanthropy.

Stockholder : Finally, we could construct a pyramid here ...

Stockholder : This study constructs five hierarchical pyramids covering: legal, economic, social, environmental, and spiritual responsibility. The fundamental reason for the five pyramid structures is that legal responsibility is the foundation for every corporation to run its business. In this pyramid, legal responsibility is positioned at the very bottom. The following is a picture of the pyramid hierarchy.



Picture: **A Hierarchical Pyramid of Corporate Social Responsibility**

Legal Obligation of Corporate Social Responsibility

Description: Legal Obligation of CSR means a corporation responsible for obeying the law.

Legal responsibility is the most basic obligation of an organization, be it profit or non-profit-oriented. The first time individuals form associations or form associations, regulations become their main basis for obtaining permission from the government. Laws are laws, regulations, and so on to regulate the social life of the community. Organizational legal responsibility is a basic requirement for organizational survival.

It is important to be able to find out the level of corporate responsibility to legal aspects. Legal aspects are the most basic for organizations/corporations in carrying out their activities. It is not easy but necessary for exploration. A way to determine the level of corporate responsibility towards spirituality requires a keyword guide to explore it. To identify the level of corporate responsibility towards spirituality, the following indicators explore corporate responsibility towards spirituality:

1. How important is the corporation to implement compliance with government laws and regulations?
2. How complete are the corporate licenses owned?
3. How is the internalization of compliance with laws and regulations that bind the corporation?
4. How to Corporate can integrate with indigenous people laws?
In a country, there are still many indigenous peoples who also have the right to occupy and use their land or territory, including those who own or use land according to their indigenous rights. The laws that have been made by the government listed in the regulations should be obeyed by all companies. But there are also laws that are not made by the government and returned to the area or it can be called indigenous law. This must also be seen by companies that are sometimes often opposed to company operations, even though it is difficult, but when companies can integrate with indigenous law this point becomes important to become corporate citizenship
5. How To be A Security Practice?
Be the security for third parties, both producer and suppliers. the company supervises other companies regarding whether the company does not violate the law.

Economic Obligation of Corporate Social Responsibility

Description: Economic Obligation of CSR is a corporation responsible to accelerate economically and profitably

Organization/ Corporation is capable to sustain its going concern economically

Organizations or corporations are formed to generate optimal profits. In this case, corporate managers have economic responsibility, including to

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shareholders (stockholders/shareholders) where some of the profits will be distributed to shareholders in the form of dividends and the other part is retained earnings which will increase the value of a company. This is a principle of economic responsibility. To identify the level of corporate responsibility towards economic aspects, the economic obligation indicators are:

1. *Getting profits*

Getting profits is defined as an organization or corporation responding to economic demands, namely increasing the economic value of investors to maintain business sustainability. This concept contains the objective of seeking economic value-seeking or long-term value maximization as the goal of business continuity.

2. *Strong Brand Equity, Recognition, and Reputation*

Economic demands in building an organization are based on the outputs produced, either services or goods. The resulting output must have a good name, reputation, and trustworthiness. This concept can increase the organization's income. In economic terms, this can be measured by the level of income earned by the organization.

3. *Operational Cost Saving*

The main characteristic in building a business is to strive to be responsible for the efficiency of operational costs in producing goods and services.

4. *Employee Productivity*

Another form in the aspect of organizational economic responsibility is that employee productivity must be high. This encourages to make of a positive contribution to the economic value of the organization.

5. *Competitive Position*

This competitive advantage means that the organization must have the ability to outperform its competitors on the goal of good performance compared to other organizations. In terms of economic value, competitive advantage can be measured by the acceptance of the amount of output by the community.

Social Philanthropic Responsibility of Corporate Social Responsibility

Description: Social Philanthropic Responsibility of CSR is a corporation responsible for caring society as a large

An organization/ corporation has responsibilities for its direct and indirect impacts on stakeholders

Social philanthropic responsibilities are the oldest form of CSR, this situation positions corporations to give to certain circles of society. The form of charity given is usually in the form of cash donations, grants, scholarships, the provision of free products and services, and other activities related to social activities that are the priority of corporate attention. In short, be a good corporate citizen. Social philanthropic responsibilities of Corporate Social Responsibility are having indicators as follows:

1. *Responsibility to Local Community*

The organization basically has an obligation to carry out activities that have a direct impact on the local community. These activities can take the form of developing infrastructure that can have a significant economic, social, cultural, and/or environmental impact on local communities. The main point is that the Organization is expected to anticipate and avoid negative impacts on local communities. Establish an effective and effective stakeholder identification and engagement process. This is important to help the organization understand the vulnerability of local communities and how this may be affected by the organization's activities. Due to the heterogeneous nature of local communities, an organization is expected to take into account the different nature of society as well as the different and specific vulnerabilities that this group can suffer as a result of the organization's activities.

2. *Human Right*

The main point of the notion of human rights is that people have the right to be treated with dignity. Human rights are inherent in all human beings, regardless of nationality, place of residence, gender, national or ethnic origin, color, religion, language, or another status. Every individual has the right to enjoy human rights without discrimination. These rights are all interrelated, interdependent,

and inseparable. An organization can have a direct impact on human rights, through its own actions and operations. Organizations can also impact human rights indirectly, through their interactions and relationships with other parties, including governments, local communities, and suppliers, and through their investments. Being a Corporate Citizenship is by recognizing human rights around the organization, when human rights around the organization are not violated, the company's rights regarding business activities in seeking profit will not be violated.

3. *Gender Equality*

Gender equality is not only a fundamental human right but also a necessary foundation for a peaceful, prosperous and sustainable world. Gender equality is at the heart of decent work so that gender equality in the work environment can drive increased productivity and business growth significantly. For companies, the opportunity to add more women to the board and senior leadership is a major development. To continue to grow, companies also need to create gender-friendly workplaces, develop women-oriented investments, promote diversity practices, and continue to increase the number of women holding key positions in a company. Placing more women as leaders is very important because the significant change in the workplace must start from the top, whether it's an equal opportunity or creating a culture that allows women to optimize their potential and productivity in the work environment. Women can also empower, not just to give power. Just like men who have power, women naturally also have power with different characteristics from men, so that their contribution can add value to their place of work. The concept of empowerment needed by women is not to be given power, but to be given the opportunity.

4. *Improvement Education of Community*

An act of human behavior in the community is influenced by the extent of their level of education. Many organizations do not realize that helping improve Education is an investment in the future, not in an abstract future, but in the future of the community and the sustainability of the company. The more educated a community is, the better the economy of a community will be so that it can affect the gross domestic product (GDP). To improve corporate education, a "charity" program can be carried out by providing scholarship funds for the community to continue better education

or by building a "private school" for the community of a company which later the company will foster the community so that the community can help develop the company's products and also the community can develop from the education that has been obtained by the corporation.

5. *Health Quality of Community*

Responsibility regarding health towards the realization of social welfare in a country is not only the obligation of the government but also involves the participation of other parties. Especially companies whose business activities affect the surrounding community. Companies must be able to ensure that the environment of the company's business activities is not polluted so as to create a healthy environment for their people. Health maintenance is one

basic need for the community. Two things that companies can do in the first way companies can contribute directly to the community by making free medical treatment to the community or providing quality food for public health. The way both companies can partner with other parties is by donating resources to the hospital so that the hospital has complete equipment to support public health.

Environmental Responsibility of Corporate Social Responsibility

Description: Environmental obligation of CSR is a corporation responsible to preserve its environment.

Organization/ Corporation is capable to reduce, reuse, recycle, recovering, and reserve natural environment

Environmental responsibility is an attitude or behavior regarding its obligation to protect, love, and preserve nature. In UU Number 23 of 1997 concerning Environmental Management, it is stated that environmentally sustainable development is a conscious and planned effort that integrates the environment, including resources, into the process of development to ensure the capacity, welfare, and quality of life of the present generation and future generation. Sustainable development pays attention to the needs of the present generation and creates the future. Sustainable development is carried out to achieve the welfare of the population without damaging the environment. Environmental factors that promote sustainable

development are important ecological processes that are maintained, sufficient resources are available, and a suitable social, cultural and economic environment. Here are indicators of the Environmental responsibility of an organization:

1. Waste Transformation

The business will never be separated from its environment. Every organization in all kinds of fields will always have waste and garbage. Waste and Garbage are major obstacles in the natural environment and for human health. This has become the focus of the organization in minimizing the disposal of Waste and Garbage. Environmental performance is usually seen from the organization's focus on how to produce waste and waste that are environmentally friendly. In Pyramida, the environmental performance of an organization is not only seen from disposing of waste and garbage that is good for the environment but processing the waste and garbage and making goods that can be reused by the organization or can even be reproduced by the organization and marketed again by the company to produce goods that are helpful.

2. Safe Water

Water has become the source of life for all living things. The organization is obliged to use clean water efficiently and to conserve the environment around its water sources. Access to easy access to safe water for use is very important for human life and well-being, both for human consumption itself and for production.

3. Fresh Air

The responsibility of the organization is to maintain a healthy air environment. The world of corporations, both in business and in services, has never been separated from air pollution. The main concern of a corporation is related to the effects of air pollution on human health, ecosystems, which arise from the economic consequences of a corporation's business. Emissions that are in the air over corporate activities need to be better managed in order to get better air as corporate support in natural and human health.

4. Biodiversity

The main focus of this matter is regarding the impact of a corporation's activities on the surrounding biodiversity. Organizations have an obligation to protect biodiversity. The organization is obliged to ensure the ability of plant and animal

species, genetic diversity, and natural ecosystems to survive in their surroundings. Maintaining biodiversity can enhance natural ecosystems providing clean water and air and contribute to human health so that humans feel healthy and productive. Biodiversity also contributes directly to local livelihoods. This point discusses that a corporation must be able to measure the negative and positive impacts of corporate activities on the biodiversity around the corporation and restore biodiversity around corporate activities. Corporations can also provide education to local communities to protect the biodiversity around them so that it can help organizations maintain biodiversity.

5. Energy Resources

Organizations can consume energy in many forms, such as fuel, electricity, heating, cooling, or steam. Energy can be self-generated or purchased from external sources and can come from renewable sources (such as wind, water, or diesel) or from non-renewable sources (such as coal, petroleum, or natural gas). The responsibility of the organization is to use energy more efficiently and choosing renewable energy sources is very important to combat climate change and reduce the overall impact of the organization on the environment.

Spiritual Responsibility of Corporate Social Responsibility

Description: Spiritual Responsibility of CSR is a corporation responsible for being fully aware of internal organizations, society, environments, state, and God

An organization / a corporation is capable to act seriously and improve quality of lives to the internal organization, society, environments, state, and closed to God

Individuals in organizations/corporations are conscious beings, which means that they are aware of all reasons for their behavior, are aware of their inferiority, are able to guide their behavior, and are fully aware of the meaning of all actions in order to actualize themselves. The corporation has responsibility for all reasons of conduct in all businesses in the meaning of non-material life. This is intended as responsibility for aspects of spirituality.

It is important to be able to also learn I how the level of corporate responsibility to spirituality. It is not young h, but it is necessary to explore

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it. A way to determine the level of corporate responsibility towards spirituality requires a keyword guide to explore it. To identify the level of corporate responsibility towards spirituality, the following indicators explore corporate responsibility towards spirituality:

1. Sincere love

The true meaning of sincere love is how we give the best for others, whether it is to be happy, not to snatch other people's happiness, and to open the heart's door to loving,

How and to what extent does the corporation provide the best policies for internal and external stakeholders to make it happy and prosperous?

2. Genuine love

Genuine love is a feeling that arises with psychological values that are driven by the desire to understand and understand each other and to accept sincerely and surrender.

How and to what extent does the corporation provide the best policies in cultivating psychological values that encourage mutual understanding and understanding and are willing to accept sincerely and submit to internal and external stakeholders?

3. Universality

Universality is the belief in the unity and purpose of life and the feeling that life is interconnected and the desire to share responsibility for other creatures.

How and to what extent do corporations make the best policies in fostering a belief in interconnectedness and a desire to share responsibility with other creatures?

4. Ability to contemplate self

Ability to contemplate, look with heart, and peace of mind to carry out every activity.

How and to what extent do corporations make the best policies in building reflection, looking at them with heart and peace of mind to carry out every act of activity?

5. Transcendental consciousness, which is not the only prayer but also knowing and acknowledging God

Full awareness to penetrate the essence of life by knowing and believing in the guidance of God Almighty How and to what extent do corporations make the best policies in building full awareness to penetrate the essence of life by knowing and believing in the guidance of Almighty God?

Epilogue: The Five Strata of hierarchical Pyramid of CSR

Based on the postmodernist imaginary dialectical analyses of both scholars, the study concludes that there are five hierarchical strata of the CSR pyramid. The hierarchical pyramid is a new model based on understanding from legal to spiritual obligation.

Sustainability Accountant : Now I would like to conclude our dialogue as intensively explored. I could point out that the five hierarchical levels are starting from firstly, legal obligation.

Stakeholder : Accountant (with eagerly adding) ..., here is that the legal obligation is the most basic obligation of an organization, be it profit or non-profit-oriented. The first time individuals form associations or form associations, regulations become their main basis for obtaining permission from the government. Laws are laws, regulations, and so on to regulate the social life of the community. Organizational legal responsibility is a basic requirement for organizational survival.

Sustainability Accountant : Here is the second ...
Secondly, the economic obligation of CSR is the second level in which a corporation is responsible to accelerate economically and profitably to sustain its going concern economically. In the economic obligation, a corporation has to get profits, Strong Brand Equity, Recognition and Reputation, Operational Cost Saving, Employee Productivity, and Competitive Position.

Sustainability Accountant : Thirdly, the Social Philanthropic Responsibility of CSR is a corporation responsible for caring society as a large. This third level means that a corporation has responsibilities for its direct and indirect impacts on stakeholders, where its indicators are Responsibility to Local Community, Human Right, Gender Equality, Improvement Education of Community, and Health Quality of Community.

Sustainability Accountant : Fourthly, the environmental obligation of CSR is a corporation responsible to preserve its environment by their activities in reducing, reusing, recycling wastes, and recovering and preserving the natural environment. Its indicators of the fourth level are Waste Transformation, Safe Water, Fresh Air, Biodiversity, and Energy Resources.

Sustainability Accountant : Finally, the fifth level of CSR is spiritual obligation where a corporation is responsible for being fully aware of internal organizations, society, environments, state, and God. This has the spirit of acting seriously and improving the quality of life. This fifth level has indicators which are levels of Sincere love, Genuine love, Universality, the Ability to contemplate the self, and Transcendental consciousness.

Sustainability Accountant : That is all ... what we contribute to a better understanding of CSR.

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