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Meaningful practice creating shared value as a contribute to sustainable development goals: Case study at Pt Pupuk Kaltim

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ABSTRACT

This study aims to reveal the meaning of the Creating Shared Value (CSV) practice as a contribution to Sustainable Development Goals (SDGs) at PT Pupuk Kaltim (PKT) with a case study approach. CSV with Corporate Social Responsibility (CSR) is a concept that does have the same umbrella, which is a charity to the community and contributes to SDG's but in practice these two concepts are different. The difference lies in the value generated. CSV provides significant value to the company in the form of profit in the form of reducing the company's activity costs and is related to the company's core business products so that the value that arises to the company is not only a good view (image) by the community. When implementing the CSR concept, the company focuses on carrying out charity actions to the community so that it creates a good corporate image by the community and does not focus on the value that is generated profitably to the company. PKT has implemented CSV practice with the floating net cages (FNC) program. The KJA program carries out activities with the grouper and lobster cultivation program and PKT's business activity is in the field of fertilizers. FNC has provided a good view from the community for PKT but the FNC that is claimed by PKT as an FNC Program is not yet a concept of CSV. In practice, FNC is more appropriate to say CSR because it has not provided profit value for PKT.

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Introduction

Concern for the environment and social responsibility are issues for companies (Massa Lorenzo et al., 2015). Social responsibility is a framework that explains that all forms of entities, both organizations and individuals, have an obligation to provide benefits to society (Brammal, 2014). The company is faced with taking responsibility for the impact of the company's business. Social and environmental responsibility has become the company's strategic business agenda, the benchmark for companies to carry out social and environmental responsibility when following the rules and laws that apply to the company's business impact.

Corporate social action or better known as Corporate Social Responsibility (CSR) is one of several corporate responsibilities to stakeholders (Solihin, 2008). The term CSR develops three important components of sustainable development, namely economic growth, environmental protection, and social equity (Elkington, 1997) which was also initiated by The World Commission on Environment and Development (WCED). Corporate social responsibility is the commitment of the company or the business world to contribute to sustainable economic development by paying attention to corporate social responsibility and emphasizing the balance between attention to economic, social and environmental aspects. Most of the descriptions of the definition of CSR have the same meaning. According to Dahlsrud (2008) quoted in about CSR research by statistically testing the conclusion that there are 37 types of CSR definitions and the most consistent and trend there are 5 (five) dimensions, namely environmental, economic, social, stakeholder, and volunteerism.

Regarding the implementation of CSR, it is still controversial and invites pro and contra debates both among business people and among academics because each individual understands social and environmental responsibility with different meanings. The phrase "social and environmental responsibility" means different things to different people. For some, this means complying with laws and regulations relating to pollution, waste disposal and other environmental concerns. For others, environmental responsibility means striving towards sustainable development (Sukoharsono, 2019).

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Some business people still rely on the view that CSR programs are not profitable and do not directly bring benefits (Siti, 2009). Some companies that carry out CSR programs record that in their accounting practices, CSR is recorded and recognized as a cost center so that the cost of CSR will be used as a reduction in income and the results will be used as a determinant of the profit and loss earned by the company. The definition of accounting that companies understand is too narrow when in fact accounting is not only calculating how a business earns, but also being able to discipline each individual and group of social and environmental concerns about the impact they do (Sukarhosono, 2010). The definition of CSR if it follows the definition of accounting for a company should mean an investment, not a cost because CSR funds are issued annually and have long-term benefits for the company (Wibisono, 2007). The CSR program should provide long-term benefits to the community. CSR is not only a voluntary effort but can be a framework that must be developed by companies to create value not only for the company but also for stakeholders in long-term goals (Oktaviani, 2012).

The CSR program has begun to shift its paradigm with a concept that is more profitable, both for companies and for the community. The development of the CSR concept is Creating Shared Value (CSV). CSV is the development of the CSR concept, where this concept first appeared in 2006 which was pioneered by Porter and Kramer (2007) in a Harvard Business Review article. This concept is then discussed again in depth in the article *The Big Idea: Creating Shared Value (How to Reinvent Capitalism and Unleash Wave of Innovation and Growth)* in 2011. In this article Porter and Kramer provide an in-depth overview and relevant examples of companies that have developed the deep relationship between corporate strategy and corporate social responsibility. Porter criticizes that so far business and social welfare have always been placed on the opposite side, where businessmen are willing to sacrifice social welfare for their own gain. CSV is a business strategy that emphasizes the importance of incorporating social problems and needs in the design of corporate strategies.

Creating Shared Value (CSV) is a concept that requires companies to create economic value and social value together, without any of which is being prioritized or overlooked. Providing solutions to economic, social and environmental problems, but it must be the main point in the company's strategy. CSV is not the same as CSR, although both have the same foundation, namely doing well by doing good. The main difference between the two is that CSR talks about responsibility, whereas CSV is based on creating value together. CSV has the opportunity to build competitive advantage by incorporating social problems as a consideration in designing company strategy or in other words turning social problems into economic opportunities and benefits (Cockalo et al., 2014).

The main idea in CSV is to integrate social problems into capitalistic economic mechanisms to increase benefits for business and society, thus enabling the reconciliation of two separate domains (Antonio et al., 2017). Porter and Kramer (2011) identify three ways in which companies can create shared value, namely a) reconstructing products and markets, b) rethinking productivity in value chains, and c) developing local communities. Since CSV began to be raised, many corporate business actors have provided their strategy to view social problems as growth opportunities (Antonio et al., 2017).

Previous research has also revealed the concept of CSV. Wardani et al. (2018) conducted research at PT Nestle Indonesia Panjang Factory, Lampung Province. The implementation of CSV by Nestle begins with conducting social mapping (social mapping) first to find out the existing problems with the coffee farming community or community. After conducting social mapping, Nestle provides guidance to coffee farmers through the formation of Joint Business Groups (JBG), Training and Monitoring, and Evaluation. The evaluation process is the final process carried out by Nestle to see the success of CSV carried out by Nestle which will later be used as 4C Certification (Common Code for the Coffee Community). The results of the coffee farmers who have been coached will be purchased by Nestle as a form of Nestle to improve the economy and social conditions of the coffee farmers. Nestle benefits from buying coffee from farmers that they have cultivated themselves, Nestle no longer has to certify the coffee they buy because the coffee has been certified through coaching by Nestle. The CSV concept carried out by Nestle makes farmers as producers and Nestle as consumers, usually Nestle is producers and consumer farmers

PT Pupuk Kaltim or most of the people of East Kalimantan call it PKT has tried to implement the CSV concept with the floating net cage program (FNC) as Pupuk Kaltim's Creating Shared Value (CSV) program. This marine cage was built in the waters of Tobok Batang, Tanjung Limau, around the end of 2016. This is a form of Pupuk Kaltim's commitment as a State-Owned Enterprise that should take part in improving the local economy as a goal such as the state's goal to improve the community's economy (SR, 2018). This commitment has paid off in the form of awards such as the Gold National Proper, the Sustainable Development Goals Award and the Indonesia Green Award. With these awards, Pupuk Kaltim has demonstrated comprehensive and sustainable company management for all stakeholders (SR, 2018).

FNC activities are fish and lobster cultivators for the sake of maintaining marine ecosystems and improving the welfare of fishermen around Pupuk Kaltim. Pupuk Kaltim, a company whose business activity focuses on the fertilizer industry, while FNC, which has been claimed by Pupuk Kaltim as CSV, focuses on fish and lobster cultivation activities instead of focusing on fertilizer production like the business focus of Pupuk Kaltim. Pupuk Kaltim as a BUMN and awarded the National Gold Proper award and the Indonesia Sustainable Development Goals should understand more about the concept of creating shared value. FNC and Pupuk Kaltim have different activities and where is the FNC shared value for Pupuk Kaltim. This makes researchers interested in making Pupuk Kaltim an object of research to see how companies interpret creating shared values as contributing to sustainable development goals with a case study approach.

Literature Review

Creating shared value is the development of the concept of corporate social responsibility (CSR). The concept of CSV was first introduced in 2006 and discussed more deeply in 2011 in the Harvard Business Review by Porter in collaboration with Kramer, explaining that the concept of shared value can be defined as policies and operating practices that increase competitiveness while advancing economic and social conditions in relations and expansion of social and economic relations. The CSV concept also conveys the idea that businesses must do two things simultaneously to be successful in the long term, namely creating economic value for the company and society (Rixen et al., 2013). This concept can also help realize Sustainable Development decisions for local clients and improve the economic standard of a community

Sustainable Development Goals

Awareness of the high relationship between economic, environmental and social issues in this century, companies are expected to have a major role in sustainability (Buller and McEvoy, 2015). The discourse of sustainable development is not a new issue when examining the cycle of investment, production and consumption that takes place and is carried out on a large scale, so in the long term it will raise big questions for the sustainability of nature and human life (Ngoyo, 2015). In this context, the idea of sustainable development emerged and became the recommended approach and the company also has a responsibility to ensure a sustainable world for the next generation. With this issue, the world began to think that it was necessary to formulate how this world would be sustainable for future generations.

The company has carried out several support programs for SDG's by practicing CSR programs but CSR has not been able to improve the welfare of the community, especially in the SDG's goals of improving the community's economy. This is because the choice of CSR programs which are dominated by charity and infrastructure types, are not linked to a more comprehensive theme to support sustainable livelihoods for the community. As a result, the CSR program is not able to independently / empower the community, on the contrary it creates dependency. The CSV concept that is present can be a bridge between the company's support for SDG's because the CSV concept develops local products for the community so that the community can be economically independent without having to depend on the company. Kim (2018) explains that the SDGs can help struggling CSVs adapt to local practices and institutional contexts by suggesting actual goals and targets. The company acts as a facilitator to create a social sense of business performance and integrate the values and specific needs that become the country's agenda. Barriers in every new thing to incorporate into the strategy will always exist, but in order to progress, we must be prepared with new things that are mutually beneficial for this program (Jocelyn, 2019).

In the industrial sector, especially PT Pupuk Kaltim, which is a state-owned company, should follow the direction of the state which supports the SDGs. SDGs as a means of finding points of intersection between what local communities and companies need can be found. For example, both benefit from an educated workforce and a healthy community, both need access to water, both require energy and infrastructure. Each of the maps of general needs to one of the 17 SDGs: good health and well-being is SDG point 3, access to clean water is SDG point 6, affordable and clean energy, is SDG point 7, infrastructure is SDG point 9 And perhaps the most important SDG point 17 is partnership, which is the core criterion of CSV.

Public Image

Global change and modernization have had a considerable influence on the high awareness of the public who cares about the surrounding environment. This global change also forces companies not to make their main business focus profit but to create a good environment in order to get a good image in the communities around which the company operates. In the Big Indonesian Dictionary, the meaning of image is: (1) noun: image, appearance, description; (2) the image that people have of a person, company, organization or product; (3) a mental impression or visual image created by a word, phrase or sentence, and is a typical basic element in prose or poetry works; (4) data or information from aerial portraits for evaluation materials.

A good image of an organization (both corporate and local) is an asset, because image has an impact on consumer perceptions of organizational communications and operations in various ways. Jefkins (2003) identifies there are four roles of image for an organization.

- *Images tell expectations, along with external marketing campaigns, such as advertising, personal selling and word of mouth. A positive image makes it easier for organizations to communicate effectively, and makes it easier for people to understand by word of mouth.*
- *Image is a filter that affects perceptions of company activities. Technical quality and especially functional quality is seen through this filter. If the image is good, then the image becomes protective.*
- *Image is a function of consumer experiences and expectations. When consumers build expectations and experience realities in the form of technical and functional service quality, the perceived service quality results in a change in image, the image will receive reinforcement and even increase.*
- *Image has an important influence on management. In other words, image has an internal impact. An image that is less real and clear may affect employee attitudes towards the employing organization.*

The concept of Creating Shared Value is one of the concepts that is said to add to the public image of the company. Recalling the explanation of Porter and Kramer (2011) explaining that the community is involved in the company's business, which is usually the company is a producer and the community around the company is a consumer, so with the CSV concept it is transformed into a producer society and the company is a consumer that makes companies and communities become mutually exclusive business partners. profitable. The concept of CSV makes the community's standard of living economically increase, making the community recognize that the company has an ethic of great concern for the surrounding environment. This is a great image for the company when the surrounding community has recognized the company

Corporate Social Responsibility

Social responsibility has actually been implemented long before the business world began to recognize it, which is around 1700 when the Ancient Kings of Mesopotamia implemented a code of conduct for laborers, inns and peasants that emphasized their responsibility to respect and not disturb citizens and guard their actions (Lapina et al., 2012). The idea of social responsibility began to enter the business world, especially corporate around the 1970s, when in that year an industrial revolution occurred which resulted in the emergence of many industrial companies. At that time, industrial companies were their main focus on maximizing profits regardless of the surrounding area. In those days the company was concerned about the environment around when they could pay taxes and pay their employees.

Corporate social action or better known as Corporate Social Responsibility (CSR) is one of several corporate responsibilities to stakeholders (Solihin, 2008). The concept of CSR as a corporate social responsibility is now increasingly being accepted. Corporate social and environmental responsibility can be defined as a company's commitment to be responsible economically, legally, ethically and voluntarily to society and the environment and to continuously make efforts to avoid the negative impact of company activities on company stkaeholder, which exceeds organizational responsibility in the field. law (Pradipta and Purwaningsih, 2012; Anggraini and Retno, 2006; Porter and Kramer, 2002). Therefore, socially responsible business entities must implement social and environmental initiatives in compliance with regulations and have the principle of transparency through public reporting of the impacts they cause.

Carroll (1991) Explains four important points in CSR which include Economic Responsibility (getting profit), Legal Responsibility (obeying the law), Ethical Responsibility (being ethical), and Philanthropic Responsibility (being a good company around it). Carrol explained CSR in the form of a pyramid or commonly called the Carroll Pyramid

Figure 1: The Pyramid of Corporate Social Responsibility; *Source:* Carroll (1991)

CSR is the responsibility carried out by the company to stakeholders to act ethically and fulfill all economic, social and environmental aspects properly for sustainable development.

Creating Share Value

The main view in this concept is that the progress of society is at the heart of the economic success of companies, and tends to the problems of society (Hartman et al., 2011). Value creation is defined by some firms as benefits relative to costs where profit is the

income obtained from consumers minus costs incurred. However, companies define not yet approaching social problems from a value point of view that obscures the relationship between economic and social problems. Porter and Kramer (2011) identified three ways in which companies can create shared value, namely a) reconstructing products and markets, b) rethinking productivity in value chains, and c) developing local communities. Porter and Kramer highlight two chronic problems in the corporate world that CSV can solve. In other words, the idea of CSV comes from the notion of problems in the business world, namely issues of legitimacy and CSR. Porter and Kramer argue that CSV is not CSR or philanthropy, but a new way to achieve economic success. The core idea is that corporations can simultaneously benefit society and increase their economic competitiveness.

An interesting concept has emerged to overcome the debate between the two parties which can be said to be the legitimacy of shareholders for the company and the legitimacy of the community towards the company (Kim, 2018). The CSV concept also provides the belief that when companies adopt it, they can reshape current business practices and market-based economies. The concept of CSV in the context of sustainability is a way to integrate stakeholders in business management. In addition, companies use specific communication strategies to communicate the results of sustainable activities involving strategic stakeholders (Lopez, 2018). Porter and Kramer (2007) together as early initiators of the CSV concept in 2006, which was deepened again with the 2011 Harvard Business Review article. According to them, shared value creation is a way of reconnecting a company with the local community where it operates, by identifying and expanding the connection between societal and economic progress. Recognizing society's needs is not only a burden on the business which only brings higher costs, but as a way to improve business performance while creating added value for society. Lapina et al. (2012) states ways of creating CSV by restructuring products and markets, redefining value chains and strengthening local groups to create shared value, meaning that the scope of shared value creation includes the company's internal and external environment. Inga Lapina et al. (2012) provides an overview of the concept of CSV in companies

Figure 2: Company Scope in Creating Shared Value; *Source:* Inga Lapina, et al (2012)

The goal of CSV is to find the intersection between the needs of business and society, then build collaborative partnerships to address the complex social issues that are the root causes of socio-economic conditions (Kramer and Pfister, 2016). The concept of CSV does not focus on profitability in mind, but rather focuses on achieving sustainable competitiveness through simultaneously providing a positive impact on society and the environment while still having a clear economic value that has an impact on the company. Profits become a function of advancing community development and producing products that are needed by the same society. Therefore, the application of the CSV concept does not have to be seen as a short-term cost but as a long-term investment, where a long-term mutualism symbiotic relationship is established between the company and its social environment (Rixen et al., 2013). In addition, businesses need innovation in contributing sustainably, the CSV concept is the right concept in innovating in a sustainable business where the CSV concept plays two roles, the community becomes the producer while the company becomes the consumer (Dunn, 2016).

CSR and CSV: Different Practices

The CSV concept clarifies the company's resources for society and the environment by reconceptualizing the role of community business in the company. CSV takes a holistic look at sustainability issues inside and outside the company. CSV generates economic value by contributing to the prosperity of the wider community as well as companies, rather than sharing philanthropy to polish the company's reputation. CSV and CSR actually have almost the same foundation, namely "doing well by doing good", because in the

same foundation this is what sometimes makes companies and even academics interpret it as "misguided" and even "often overlaps" in implementing the concept (Wójcik, 2016). Even though in practice CSV and CSR have different ideas (Wójcik, 2016). Wójcik (2016) summarizes the differences in these concepts in table 2.1

Table 1: The difference between CSR and CSV

CSR	Perbedaan	CSV
<i>Normative attitude</i>	Character	Positive approach to business in community issues
<i>Treat social issues as separate from the company's core business</i>	Value	Treat social issues as potentially beneficial to the company.
<i>Company actions are externally driven</i>	Action	Company action is driven internally (e.g. economically motivated managers looking for social problem spaces make profits for the company)
<i>Implicitly assumed to generate profits for the company (not clear)</i>	Results	-Profit advantage (economic value) is pursued and clear -Reconstruction of Company Products with local cluster development
<i>It implicitly assumes the sacrifice of profits in social interests</i>	Impact	Social concerns (issues) associated with the company's core business at business model (creating economic value through creating social value)
<i>Separate from the corporate strategy framework</i>	Agenda	Involves as a strategy analysis tool even into the company's portfolio

Source: Wójcik (2016)

Thematic Analysis and Case Study

Case studies are one of the most popular methods of research. This method was popularized by Robert K. Yin. Yin (2019) explains that case studies are carried out if the researcher has little opportunity to control the events to be investigated and when the focus of the research lies on contemporary phenomena or historical phenomena with a context of life. real. More deeply, Yin (2019) explains that case studies are a more suitable strategy if the main question of a study is how or why. Several other opinions about case studies contained in Mintarsih (2017) referenced from (Lincoln and Guba, 1985) that case studies are a snapshot of reality, as part of life (a slice of life) and a portion of small life (a microsome), an event (an episode) which is a unit of action in deep and intensive examination of a thing or a unit.

The explanation of the case studies that have been presented has attracted researchers to use this research method for several reasons, including the first, case studies are holistic and part of life interacts. Researchers will present an accountable picture, in a manuscript and can be easily understood into the "natural language" of the user concerned. Both case studies simplify the data that can be accounted for to the readers of this research and are made naturally and clearly so as to best fulfill the objectives that are in the mind of the researcher. The objective in the mind of the researcher is to clearly describe the meaning of Creating Shared Value for the company and society. The company, in terms of this research, is PT Pupuk Kaltim claiming that it is Creating Shared Value for the community with the floating net cages (FNC) program. PT Pupuk Kaltim and FNC have different production activities, while the concept of creating shared value which was initiated by porter and Kramer emphasizes production linkages which will have an economic impact on the company and not only social for the community. This is what researchers want to reveal through interactions and decide which case studies are the most appropriate for this research.

This study uses a case study research approach with thematic analysis as data analysis. Thematic Analysis or commonly called Thematic Analysis is usually carried out in qualitative research about meaning in social reality and individual psychology (Boyatzis, 1998; Roulston, 2001) Thematic analysis is a method for identifying, analyzing, and reporting patterns (themes) contained in data and interpret data in detail so that the data can be useful and relate to aspects of the research topic. Thematic analysis is rarely heard in analyzing data in qualitative research even though it is actually unconsciously using this analysis (Braun and Clarke, 2006). Braun and Clarke (2006). Explaining thematic analysis is often not claimed by many researchers when it comes to qualitative research because thematic analysis is not explicitly explained about how it is in the analysis stages even though discourse analysis, content analysis and pattern matching to determine themes are part of thematic analysis. Thematic analysis will be used in determining the theme to explore the Creating Shared value concept that has been implemented by Pupuk Kaltim with the floating net cage program (FNC), which is the concept of CSR or the concept of CSV.

Pupuk Kaltim CSV's contribution to the SDGs

he CSV concept has emerged as a development of a profitable business strategy with the parallel goal of improving business performance while providing tangible social benefits and a healthy environment. KJA as Pupuk Kaltim CSV has been here to overcome these two things and become a sustainability innovation for Pupuk Kaltim. The heart of the CSV concept is an innovation (Jocelyn, 2019) which requires CSV to have new directions on how to solve social and environmental problems, so in developing

innovation CSV can naturally be used as a tool in supporting sustainability. The researcher tries to analyze the contribution of Pupuk Kaltim KJA CSV to the SDGs.

CSV and SDGs: People

The SDGs set targets to end poverty and hunger, in all its forms and dimensions, and to ensure that all human beings can fulfill their potential with dignity and equality and in a healthy environment. Poverty eradication has indeed become an important matter in society, not only as the responsibility of the state but also to all groups who are also obliged and help each other to help eradicate poverty. Pupuk Kaltim as a State-Owned Enterprise also plays a role in the success of eradicating poverty. Pupuk Kaltim continues to strive to create a framework with a global, national and local perspective. The company has also started to implement social programs in the context of poverty alleviation.

The Bontang area which consists of 70% of the water area has natural aquatic resources that have the potential to be utilized by the community. The presence of the CSV concept that has been formed by Pupuk Kaltim through KJA is used to utilize the existing water resources in Bontang and management is fully provided to the Bontang community who are around Pupuk Kaltim production operations with supervision by Pupuk Kaltim. Through the CSV Program KJA Pupuk Kaltim provides resources for fishermen and low-income communities. Pupuk Kaltim collaborates with the Bontang Cooperative Office and the Bontang City Fisheries Service to assist fishermen groups in Tanjung Limau in forming a fisheries cooperative with legal status for 2 months. Thus, fisheries cooperatives were formed under the names Koperasi Nelayan (KOPNEL) and Bontang Etam Maritim (BEM). This cooperative has received a Cooperative Registration Number. FNC and grouper seeds are provided by Pupuk Kaltim. FNC has become an effective solution to help the economic problems of the coastal fishermen of Bontang. KJA not only helps the coastal communities of Bontang, especially fishermen, but almost the entire Bontang community whose economic difficulties are helped by joining the KJA formed by Pupuk Kaltim which is proven every year there are additional members of KOPNEL BEM and joining KJA not only from fishermen but all circles participate want to be a fisherman with the KJA. In 2017, the members of KOPNEL BEM who were members of KJA were initially 10 people and until the end of 2018 there were 60 people and 70 people.

The presence of the CSV concept that has been formed by Pupuk Kaltim has fostered economic growth. With the economic growth of the community, poverty among fishermen can be resolved with the existence of FNC. One of the SDGs objectives regarding “No poverty” and “Zero Hunger” is how the availability of products and services for those with low income. The CSV concept has provided KJA products and created jobs for those with low income, not only the people around Pupuk Kaltim but the entire Bontang community. The CSV program has supported economic development in low-income areas, especially the Bontang area and has helped the Bontang government to eradicate poverty in the Bontang region.

CSV and SDGs: Planet

The SDGs set targets to protect the planet from degradation, including through sustainable consumption and production, sustainable management of natural resources and taking urgent action on climate change, so as to support the needs of present and future generations. Pupuk Kaltim which focuses on the sustainability of an environment, this is important considering that as previously discussed, Pupuk Kaltim has operations close to the sea and the use of its production is closely related to sea water both in terms of use and disposal. Therefore, Pupuk Kaltim's priority is to maintain a clean sea water environment by implementing a program as outlined in the Objective, Target and Program. The concept of CSV is presented in the form of FNC as a tester for the quality of seawater that is not polluted due to waste from Pupuk Kaltim. Various types of fish and lobster that have been able to live and reproduce well as an indicator that sea water is not polluted as a result of the production activities of Pupuk Kaltim. From 2017 to 2019 FNC has provided various types of biodiversity apart from fish and lobsters. The presence of FNC has also succeeded in educating fishermen to protect coral reefs so that the marine ecosystem is maintained and not to catch protected animals. Fishermen who are members of the FNC have guarded the protected animals they find and are even endangered, such as hawksbill turtles and napoleon fish. Pupuk Kaltim also continues to monitor the development of living things around the marine cage to ensure that the waste that has been discharged into the sea is environmentally friendly. Based on the results of monitoring by Pupuk Kaltim on the condition of the marine ecosystem around the Company's area, it shows that the plankton, benthic, and demersal fish communities are stable and there is no plankton blooming. The presence of the CSV concept has become a sustainability innovation that is different from the CSR program and supports the achievement of SDGs goals at the point of protecting marine ecosystems.

CSV and SDGs: Prosperity

The targeting determined by the SDGs is to ensure that all humans can enjoy prosperity and fulfill life and economic, social and technological progress occurs in harmony with nature. The Bontang area which consists of 70% of the water area has natural aquatic resources that have the potential to be utilized by the community. The presence of the CSV concept that has been formed by Pupuk Kaltim through FNC is used to utilize the existing water resources in Bontang and management is fully provided to the Bontang community who are around Pupuk Kaltim production operations with supervision by Pupuk Kaltim. FNC has opened up economic opportunities in the city of Bontang in marine resources. With the existence of CSV Pupuk Kaltim helps the city of Bontang in realizing economic prosperity for all the people of Bontang because FNC has absorbed some unemployed workers and the people are trained to become reliable personnel in the field of fish farming so that it also helps to realize the city of Bontang as a "creativity city".

CSV and SDGs: Peace

The SDGs set targets to promote a peaceful, just and inclusive society free from fear and violence. There is no sustainable development without peace and no peace without sustainable development. The basis for the purpose of this discussion on the SDGs is about a company or institution where they stand to make a peaceful and inclusive society for sustainable development, provide access to justice for all and build institutions that are effective, accountable and inclusive at all levels and free from corruption. , Collusion and Nepotism. CSV has succeeded in making Pupuk Kaltim a strong institution. Pupuk Kaltim not only maintains a peaceful and harmonious relationship with the fishing community but also gets support from the community when there are things that are not true about Pupuk Kaltim. When it has received full support from the community, the researchers concluded that CSV Pupuk Kaltim has successfully contributed to the SDGs about maintaining a strong and peaceful institution in front of the community. CSV has also been present as a form of Pupuk Kaltim's compliance with state regulations that maintain good governance while maintaining a sustainable society.

CSV as Public Image of Pupuk Kaltim

Pupuk Kaltim is a fertilizer industry company whose production process mostly uses the surrounding natural environment. Pupuk Kaltim uses seawater in its production process. Seawater is managed in the Utility Factory and used by Pupuk Kaltim for its production process. The following is the flow of Pupuk Kaltim's production process using sea water as shown in Figure 3.

Figure 3: Production Process Flow; Source: SRA, 2018

The plant that treats seawater for use by all factories is a utility plant. This factory is a provider of utility needs for Ammonia, Urea, and NPK factories which consists of several units, namely Sea Water Pump, Chlorination, Desalination, Water Instrument and Plant, Demineralization, Sweet Cooling Water System, Power Plant (Generator), and Water Steam Generator (Steam). These units are integrated from one factory to another.

Pupuk Kaltim really cares about the environment where it produces with the presence of CSV FNC not only about helping fishermen's economic side but also wants to build the view that marine ecosystems can be maintained close to the ocean. After reviewing some of the interviews that the researcher has conducted with several informants, the researcher concludes that CSV is a public image in figure 4.

Figure 4: CSV as Public Image; Source: Authors

The presence of the CSV concept makes it easy for Pupuk Kaltim to combine social and environmental problems into one container in the KJA FNC. The CSV strategy helps Pupuk Kaltim to build public trust and reputation, improve financial performance, minimize the risk of gaining a competitive advantage and most importantly create synergies in value creation. Increasing the company's reputation is important. A good reputation in the community provides space for companies to be able to move freely in carrying out their company operations because they get support from the surrounding community. The public image of a company is something that will certainly be proportional to the same direction when the company carries out its social responsibility, in other words a company that is always responsible for its environment will positively affect the company's image in the eyes of the community.

Pupuk Kaltim Floating Net Cages (FNC): Practice CSV or CSR

Creating Shared Value (CSV) actually has a foundation that is almost similar to that of Corporate Social Responsibility (CSR) in guiding the investment of organizations in their communities. CSR programs are largely reputation-focused and have only limited connections to businesses, making them difficult to justify and maintain in the long term. Conversely, CSV is the main driver of a company's profitability and competitive position. It leverages the unique resources and expertise of the company's economic value by creating social value.

The CSV program through FNC has provided many economic and social benefits for the community as explained in the previous chapter. In terms of economic side, FNC has provided additional income for the people of Bontang. The Bontang community, in this case the fisherman profession, has increased their income besides fishermen looking for catch in the sea as well as the Bontang people who are not fishermen have helped people who do not have a job or are unemployed to earn income in KJA so as to improve the economic level of the Bontang community. Social side, KJA has helped educate people who are financially independent. Pupuk Kaltim CSV program also trains fishermen to independently manage FNC which has been provided by Pupuk Kaltim through the Bontang Etam Maritim Fisherman Cooperative (KOPNELBEM). KJA also trains fishermen to increase competitiveness for lobster and grouper cultivation so that the quality can be competitive so that it reaches high prices in the market. The CSV program also not only helps individuals from fishermen but helps the families of fishermen, in this case the fishermen's wives, for culinary lobster and fish. Inside the FNC, they open a stall to eat kerlob lobster and fish that are taken directly from the FNC so that the quality of the food produced is still fresh, thus creating a high enough selling price if people want to eat seafood directly without going through the market in Bontang. Environmentally side, FNC has also provided benefits because fishermen have been trained by Pupuk Kaltim to protect coral reefs so that the marine ecosystem is maintained.

FNC which is claimed to be Pupuk Kaltim's CSV program in terms of the concept of CSV Porter and Kramer (2011) has indeed developed a local community or cluster but the community development is also used to meet the company's production needs. Meanwhile, KJA has not fulfilled Pupuk Kaltim's needs both in terms of production and Pupuk Kaltim's main business. FNC fulfills Pupuk Kaltim's social needs, or it can be said that the harmonization of Pupuk Kaltim's relationship with the community is good so that it creates a good view and Pupuk Kaltim's operations are not disturbed. Operations do affect the economic impact, in this case the "profit" of a company but the impact is not direct, whereas what is meant by the FNC concept is that it has a clear economic value or directly affects the company so that CSV is said to be ethical capitalism. because they care about the environment but also focus on clear profit values. The practice of KJA has not provided a clear enough profit value for FNC Kaltim so it is not accurate to say that it is a CSV or researchers argue that FNC is a CSR concept that is "philanthropic".

Implications

This research has implications as a contribution to theoretical thinking about the concept of sustainability innovation, especially in realizing Sustainable Development Goals (SDGs). Business interests, especially looking for profit, are the main things for every company. The concept of CSR has been considered by some companies to be a cost. Some companies even call the concept of CSR a "cost center" so that many companies are reluctant to carry out CSR even though there are laws that govern it. The concept of CSV helps to balance these two needs that cannot be answered with the concept of CSR. With the concept of CSV, it can be used as a tool to transform environmental awareness in realizing the SDGs while still paying attention to the company's business interests.

Another implication of the research can be used as the development of the CSV concept. So far, several studies have often debated what kind of benchmarks are used and it can be said that the company gets economic value. Benchmarks in the concept of CSV from an economic point of view have not been explicitly explained so that with this research this concept can be developed by adding a measurement of the economic value given to the company.

Conclusions

The implementation of the Creating Shared Value Concept has provided benefits both economically and socially for the community. Economically, CSV implementation through FNC provides additional income for the community. The fishermen who initially earned their main income only by taking their seafood get additional income. FNC has also helped fishermen's families, especially fishermen's wives, who help in preparing food at kerlob stalls inside the FNC when a community wants to try seafood from FNC by visiting the FNC. When the community's economy increases, the people's welfare will increase. Environmentally, fishermen are also

more aware of how to catch fish in the sea because Pupuk Kaltim has taught him about preserving the marine environment. For Pupuk Kaltim, the "value" obtained from KJA is a good public image from the community. Before the existence of FNC, the community mostly blamed Pupuk Kaltim for the death of marine life caused by the Pupuk Kaltim factory. With the presence of FNC, Pupuk Kaltim wants to prove that FNC is used as a bio indicator tool that seawater that is taken and thrown back as waste into the sea is safe and friendly environment. This is evidenced by the marine biota in FNC that is still alive and well developing. The researcher argues that if we examine the concept of CSV and see the reality of CSV practice carried out by Pupuk Kaltim, it is not appropriate to say that it is a CSV practice because researchers have not seen a significant economic impact on Pupuk Kaltim. FNC has a different business product by Pupuk Kaltim. FNC produces fish and lobster cultivation products, while Pupuk Kaltim produces Fertilizer, NPK and Urea products. The CSV concept is supposed to help companies market their products but because the FNC product is not that, Pupuk Kaltim's products cannot yet be marketed. FNC also has not resulted in a cost saving impact for Pupuk Kaltim because if Pupuk Kaltim wants to enjoy the results from FNC Pupuk Kaltim also still has to pay. As for the profit-sharing funds from FNC for Pupuk Kaltim, these funds are also reused for FNC development or replication so that there is no environmental cost savings, so researchers think that FNC is a philanthropic CSR program.

Researchers argue that every scientific research cannot be said to be perfect. Researchers admit that this research is flawed and imperfect. The limitation that is a drawback in this study is that researchers cannot access to meet the directors to find out their meaning of making FNC as a CSV concept because there is a board of directors' decree for the appointment of a CSV team outside the CSR department. Researchers also have not had direct access to the finance department to see the significance of the monetary value that can be created from a good image of the public. Researchers are also aware of the limited time for researchers to further explore the meaning of this concept to measure the value of profit that can be generated from this concept to the company.

This study aims to interpret the concept of creating shared value as the company's sustainable contribution. What researchers have not been able to describe is the benchmark for this concept which can be said to affect company profits. It is interesting to study more deeply regarding benchmarks in influencing company profits so that it can be said to be the concept of creating shared value between the community and the company. Further research can take another theoretical approach as another analytical tool to gain a deeper understanding of the value generated for the company. Researchers also suggest that when examining this concept again, researchers suggest using the mix method so as to obtain a more comprehensive picture and explicitly understand the benchmarks of the value of profit that is generated for the company.

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