

LAW AWARENESS AND LAW COMPLIANCE OF BUSINESS ACTORS IN THE ISO 26000 PERSPECTIVE BASED ON SUSTAINABLE DEVELOPMENT

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Abstract

Environmental issues require answers in an integrated manner because these problems cannot be solved partially. Life dimensions include various aspects that need support from the law system and policies to preserve the environment. This research aims to increase legal awareness and legal compliance of business activities in the ISO 26000 perspectives based on sustainable development. The method used in this research is a qualitative approach—a sampling technique with a snowball. The number of respondents in the study was 117 respondents. The instrument used is attached to the researcher because it is adjusted to the respondent's characteristics. The study results show that the sustainability of business aspects and environmental norms cannot be separated. Eliminating one part can cause severe problems for the environment and the community around the location of business activities. This requires a good understanding of the validity of legal norms and provisions to build legal awareness and legal compliance. Construction of legal awareness and legal compliance of business actors in the perspective of ISO 26000 as a basis for carrying out activities. This awareness is understood as an individual responsibility, not a collective responsibility. This approach still requires the best alternative solutions to lead to the values of Sustainable Development for the sake of fulfilling future generations.

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Keywords: Law Awareness and Law Compliance; Environmental Responsibility; Limited Liability Company; Sustainable Development.

1. INTRODUCTION

Social and Environmental Responsibility, commonly known as Corporate Social Responsibility (CSR), has diverse dimensions (Rosa-Jiménez & Nebot, 2021). Law and moral burdens must be considered, initially tending economic attraction because starting from business activities can turn into the pull of law energy and the morality of

business actors (Mazzone et al., 2021). This condition shows that these law provisions must be consistently enforced even though the facts prove that the problem of law enforcement in Indonesia is a significant problem that requires in-depth study because law enforcement will involve many components (Sutrisno, 2019).

The rationale for the government to make regulations on environmental responsibility is due to the need for rules that underline business activities related to the environment. Especially for large-scale business actors, in this case, Limited Liability Companies. The government provides an affirmation of its implementation in the Limited Liability Company Law. The government's goal is to make regulations to provide a harmonious, balanced, and proportional relationship with the environment, both in terms of values, norms, and the culture of the surrounding community. Business activities are not solely for profit but must also pay attention to environmental problems. The principal obligation for business actors emphasizes activities related to natural resources. This shows a very close correlation regarding business activities that cannot negate environmental problems and the community around the location of activities because, indirectly, economic activities significantly impact the social environment. There is a change in the flow of thought construction, which initially focused only on profit, which has shifted to the environmental dimension.

In its development, corporate responsibility shows that a company is not only legally responsible in the form of law responsibility but must also be socially responsible (Emirzon, 2007). Finally, the law is essentially used to regulate human life to obtain order, prosperity, happiness, and the welfare of its people (Rahardjo, 2006). Moreover, business takes on a more significant public role, making decisions that may be more appropriate in the hands of an elected government. Which category yields the best results for organizations is a matter of empirical investigation and is likely determined by contextual factors, even though firms at the extreme economic end may find themselves at a disadvantage (Donthu & Gustafsson, 2020; Lahti et al., 2018). Companies Seventh Generation were created to embody and promote social issues. The case of environmental conservation with every product labeling a quote from the Great Law of the Iroquois Confederacy, "In our every deliberation, we must consider the impact of

our decisions on the next seven generations. " The seventh-generation and its products embody social responsibility (Al Halbusi-Tehseen, 2017). This implies the relation of companies from an economic perspective to the environment and the policies of stakeholders who have an indirect relationship, the however business has a huge role in public authority, in making decisions more appreciated if in the hands of the right government (Referowska-Chodak, 2019; Robbins & Jones, 2018; Shafiei & Maleksaeidi, 2020). Which category produces the best results for organizations is a matter of empirical observation and is likely determined by contextual factors, even though companies at the end of the economy may find themselves at a disadvantage. The Seventh Generation and its products, by design, embody social responsibility (Apichatibutarapong, 2018; Forcadell & Aracil, 2017; Hellison, 2015; Lee et al., 2019; Schaltegger et al., 2019; Scholtens, 2006). This fact reinforces the point of contact that gave rise to the basic philosophy of a symbiotic-mutualism relationship between the company and the environment and society in the context of the present era's social responsibility and environmental business entities. And law energy plays an important role, so speaking of the axis, the human being is trying to find order, happiness, prosperity, and justice, this struggle that provides an approach to the law to be unique that can not be separated from reality and context (Sutrisno, 2019).

Based on the above descriptive level, the question is how is the role of Corporate Social Responsibility (CSR) for environmental preservation about ISO (International Organization for Standardization) 26000.

II. RESEARCH METHOD

This research approach was prepared using normative juridical research, which focused on examining the application of law norms (Ibrahim, 2010). The law, which is the object of study in the form of written regulations regarding the normative regulation of the ISO (International Organization for Standardization)

26000 based on Sustainable Development, is intended in the context of building awareness and law compliance of business actors to protect the environment around the area of business activities. Research by examining the law norms is intended to understand norms relating to the regulation of its alignments with environmental issues—the study of withdrawing law principles towards synchronizing regulations between norms concerning economic activities. Environmental issues become crucial when understanding the influence of these activities can build the needs and interests of the next generation. This refers to the concept of the values of sustainable development. Assessment based on the positivistic legal paradigm emphasizes understanding legal norms in the textual realm. The law about rules is a form of written law in regulatory products, and the final understanding is built through legal provisions. Understanding leads to the need for legal awareness and legal compliance of business actors, considering this is important to create awareness of environmental problems.

III. RESULTS AND DISCUSSION

The condition of the Majalengka Regency as a growing and developing city indicates a promising prospect in the future for the level of economic growth of its people. The growth sector of development in the industry is one of the hopes to improve welfare. For that, the concept of Sustainable Development must become a pillar of mainstreaming in formulating policies formulated by the local Regional Government. Green policy is a benchmark for government bureaucracy alignments for the environment, and this can be a stimulus for business actors to build awareness for the environment. The process of building law awareness and law compliance must begin at the stage of shared understanding of the virtue values of virtue in preservation, maintaining environmental quality, maintaining the carrying capacity of environmental ecosystems, and maintaining the purity of the natural surroundings. The condition of the Majalengka Regency, which is beautiful with

mountainous areas and rivers that still flow water, is the main driving factor in harmonizing all environmental components. The purpose of Sustainable Development is the key to being the basis for policymaking. Sustainable Development can be understood by building three pillars: economic, environmental, and social development dimensions. For that reason, Sustainable Development (Sustainable Development) is the final goal that must be achieved. It is directed to build a concrete level of concern for environmental problems that can be taken to determine the existing environmental conditions. Environmental changes caused by business activities become an essential aspect of understanding the tug-of-war relationship between their development and the environment.

At this point, the government must monitor and evaluate all policy building that has been carried out. Evaluation is carried out on environmental assessments that are suspected of or are undergoing changes due to business activities such as pollution, degradation of environmental quality, and changes in environmental ecosystems. Many policies have been formulated regarding environmental issues, such as spatial planning, environmental management, and conservation. Policies that regulate water resources and regarding business activities involving the private sector, there are national regulations on the linkages between economic aspects and environmental dimensions. Law Number 40 article 7 of 2007 regulates the issue of Limited Liability Companies (PT). Policies are given to organize Social and Environmental. Responsibility is what is called Corporate Social Responsibility (CSR).

The basic norms governing Social and Environmental Responsibility become the basis for local governments to make decisions. Regarding the Majalengka Regency Limited Liability Company (PT), which grows and develops with investment in industry, it must be able to apply legal norms in its decision making so that it can still formulate green policies. On the other hand, business actors must understand and perceive the importance of maintaining environmental quality. Business

actors' legal awareness and legal compliance with environmental licensing requirements must be an absolute prerequisite. Conclusion: there are concrete steps to overcome environmental damage and pollution with the ISO 26000 being a reinforcing factor in continuing caring for environmental issues.

Economic growth is one of the reasons, through development in the industrial sector with an entrance in the investment corridor in the region. Still, on the other hand, it must also be noted that the enactment of law norms regarding Limited Liability Companies (PT) and ISO 26000 Standards builds insight into Sustainable Development. The existence of a city in Indonesia caused by the impact of development has required the city to fulfill people's interests. The conflict of new values has affected people's lives (Sutrisno, 2019). Companies work with people and the environment. From the environment, we get customers, suppliers, employees, communities and their surrounding environments, shareholders, investors, governments, activists, competitors, and other company stakeholders who are directly or indirectly affected by the existence of the particular company. CSR draws a picture that stipulates how a firm embraces responsibility for the impact of its activities on its stakeholders (Hossain, Siwar, Jani, Bhuiyan, 2013).

Corporate entities in carrying out their activities through work have people and the environment. From our environment, we get customers, suppliers, employees, the community and the environment around them, shareholders, investors, governments, activists, competitors, and other corporate stakeholders who are directly or indirectly affected by the presence of certain companies. Corporate Social Responsibility (CSR) describes the position and existence of a company burdened with responsibility for the influence of its business activities on stakeholders in the dimensions of the social environment and environmental aspects. This condition implies that for implementing CSR policies, the company is also responsible for the impacts that will arise in the area of its business activities. At the macro scale, rules are also set

out to standardize the implementation of responsibilities—answered business actors in Indonesia through ISO 26000, which directly refers to steps for Sustainable Development. Standards at the global level reflect aspects of a deep understanding of the environment. Business activities must always be based on environmental preservation and management values. Protecting the environment is a priority. This reflects the biocentrism approach to examine the problem of the relationship between the environment and the economy. A long continuum of economic and environmental aspects becomes the starting point for a paradigm shift in doing business. The profit aspect is no longer a priority, but on the other hand, it must also be taken into account, the environmental dimension. The order of ISO 26000 provides an excellent opportunity to build a positive image for business entities in relationships with consumers. The constructive view of products in favor of preserving the environment is a crucial measure of success in developing consumer understanding of maintaining environmental quality.

The initial thought to formulate the ISO (International Organization for Standardization) order was carried out in September 2004 with the involvement of all existing components to form a team (working group), then produce guidelines and standardize the problem of business actors respond to the environment. This reality reinforces the clear commitment that there is an interconnection with a symbiotic interaction between businesses and the environment, including social and environmental issues. Emphasis on social responsibility provides a fundamental rationale for the go green paradigm in every activity of people's economic life. Sustainability in an integrated manner with the involvement of business actors and the consumer community to overcome environmental problems must be supported by local policies the Regional Government through regional regulations.

The local government must develop policies that are going green or policies with content that favor environmental values. The partisanship of stakeholders is essential because

the built norms are directed to efforts to maintain the quality of the environment remains sustainable. The consideration is given the economic growth and development in the region is growing and developing, investment in the region grows along with the development towards a developed city. This condition requires stakeholders to pay attention to ISO (International Organization for Standardization) 26000 norms, and on the other hand, business actors must heed the rules of Corporate Social Responsibility.

Development has been carried out in various fields through investments offered, and local regulations play an essential role in economic growth and development in the region. Along with the development growth, directly and indirectly, this can have a significant impact on the environment. For this reason, stakeholders, in this case, the Regional Government, must construct permit norms interconnected with rules based on preserving and protecting the environment. This is intended to realize the concept of Sustainable Development for the benefit of future generations.

On another dimension, businesses must build law awareness and compliance with the rules in question. Along with the growth of awareness and compliance, it indirectly constructs views of environmentally friendly products and cares for the environment. Products based on the understanding of maintaining air quality, water quality, and maintaining the quality of soil conditions are demands in preventing economic activities that impact air pollution, water pollution, and damage to soil conditions.

The initial series of thoughts in the business domain through products shifted to environmental interests to prevent the degradation of environmental quality. The private paradigm moves toward public values because environmental problems are common. Pollution that occurs and degradation of the quality of the environment are a shared responsibility, and the Regional Government is burdened with obligations. Business actors have obligations, and consumers must also participate in responsible environmental behavior. The order established through the

norms of Article 74 of Law Number 40 of 2007 must be understood in the context of legal operations to require the formulation of legal awareness. Compliance with economic actors is an absolute prerequisite for maintaining sustainable environmental quality. Precisely the existence of the International Organization for Standardization (ISO) 26000 has added value related to the responsibilities that business actors for the activities must carry out carried out, which will impact the environment. ISO 26000 is a voluntary guidance standard - that is, it does not contain requirements such as those used when a standard is offered for "certification." A particular learning curve uses ISO 26000 because there is no specific external reward-certification-explicitly tied to ISO 26000 (Hossain, Siwar, Jani, Bhuiyan, 2013).

IV. CONCLUSION

Business actors should carry out Social and Environmental Responsibility (Corporate Social Responsibility). On the other hand, global rules have been formulated through ISO (International Organization for Standardization) 26000. This provides assertiveness to all stakeholders about the importance of alignments to environmental issues, including local governments, to formulate local regulations in the form of regional regulations that go green or green policy must be realized. Business actors' issues of law awareness and compliance become the starting point for building awareness of economic activities based on law norms to preserve the environment.

Economic actors must take responsibility to preserve the environment as part of the implementation of Corporate Social Responsibility policies. Based on ISO (International Organization for Standardization) 26000, companies must participate in environmental preservation for Sustainable Development). That is, nature can be preserved and prevent damage.

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