BALANCING RURAL DEVELOPMENT AND CORPORATE IMAGE: EVIDENCE FROM SOCIAL RESPONSIBILITY PERFORMANCE IN AGRICULTURE PROGRAM OF MINING COMPANY

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Abstract

Background: Mining companies naturally have the potential to harm the environment, and CSR is a step towards achieving a good image. The harmony and balance between corporate image and rural development through social welfare indicators is an essential aspect of mining companies' CSR practices.

Purpose: This study aims to analyze the performance of the agriculture CSR program on the corporate image and social welfare of mining companies.

Design/methodology/approach: Using Structural Equation Modeling (SEM) analysis techniques based on partial least squares (PLS), this study employed purposive sampling to determine the research sample based on one criterion. The sample consisted of 97 out of 117 program recipients.

Findings/Result: The findings show that the economic, social, and environmental performance of CSR programs in the agricultural sector positively and significantly influences corporate image and social welfare. Further analysis of the formulation of farming business analysis indicates that mining companies' CSR programs in agriculture can be assessed as sustainable.

Conclusion: The three performance aspects of the agricultural CSR program affect the corporate image and social welfare of mining companies.

Originality/value (State of Art): This research presents novelty in the management field with empirical research findings, especially related to the comprehensive influence on mining companies and surrounding communities by the three performances of the agricultural CSR programs implemented, which were not explored before.

Keywords: agriculture program, corporate image, corporate social responsibility performance, mining company, social welfare

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INTRODUCTION

The mining industry in Indonesia will have a rapid pace of development in 2022, owing to increasing global demand (Indonesia Stock Exchange). Large companies in the mining industry naturally harm the environment, so they take very intensive and comprehensive Corporate Social Responsibility (CSR) initiatives to compensate the community and build a good reputation (Fosu et al. 2024). This is important because companies need to pay attention to stakeholders, in addition to trying to run the business and maximize profits (Radu & Smaili, 2021). One of the primary stakeholders of mining companies is the community around the operations (Putra et al. 2020). This is because the community around the operational area is the party directly in contact with the company's daily operational activities. A good relationship between the company and the community around the operational area will form an excellent corporate image, so that the company's activities run smoothly.

Corporate image refers to the perceptions, attitudes, impressions, feelings, and beliefs of stakeholders (Le, 2023; Sang et al. 2022). Forming a positive image will improve a company's quality so that the organization can quickly obtain financial and other resources to carry out its operational activities. The evaluation of CSR performance in building corporate images is interesting thing to do. Corporate Social Responsibility performance has three areas: economic, social, and environmental (Rodriguez-Gomez et al. 2020). The economic area of CSR is the company's commitment to improving the community's welfare through various CSR programs originating from funds obtained from the company. The social area of CSR is defined as the commitment of companies implementing CSR programs to consider the specific needs of recipients (Rodriguez-Gomez et al. 2020). The last area, namely the environment of CSR, is environment-based goals, both protection and so on, to achieve positive impacts, such as sustainable development (Rodriguez-Gomez et al. 2020).

In general, mining companies' operational areas are in rural areas, so there are similarities in the characteristics of primary stakeholders between mining companies (Hilson & Hu, 2022; Zhao & Niu, 2023)Many companies implement CSR activities as a management strategy that has a direct impact and contact with the community. One such activity is economic empowerment, which aims to improve rural communities' quality of life. (George et al. 2023). This improvement in quality of life can be measured using social welfare in the operational area. Welfare, as referred to, is the stability of the characteristics of the condition of the household as part of society (Cai et al. 2023; Skoufias et al. 2020). This stability then gives rise to satisfaction among program recipients with their quality of life they have (Badan Pusat Statistik, 2022). The harmony and balance between rural development through social welfare indicators and corporate image are essential in mining companies' CSR practices.

ABC Ltd. is one of the mining companies in Indonesia that has started CSR activities at the same time as the company's operational activities. Writing the ABC notation in this article constitutes ethical compliance agreed upon by the authors and research subjects for writing a scientific article, and all detailed data about the research subject described in the research are recognized as data permitted to be written in the report. ABC Ltd. actively encourages the economic sector of residents by carrying out community development programs to improve the economy of residents around the mine and fulfill food needs. Through various CSR programs, ABC Ltd. can make CSR recipient member communities experience economic improvements after implementing the program. The CSR program initiated by ABC Ltd. to empower the community is implemented in three sectors: agriculture, MSMEs, and fisheries. Based on initial observations in these three sectors, the agricultural sector, which consists of staple crop commodities and fruits, has the highest total income for program recipient communities. Therefore, it would be interesting to conduct a study on the influence of CSR performance on social welfare.

Several previous studies have been highly relevant to this research model. First, previous research has proven a significant relationship between economic performance and corporate image (Cha & Jo, 2019; Demeke & Ravi, 2024; Le, 2023). Furthermore, several other studies have found a significant relationship between social performance and corporate image (Chen et al. 2021; Demeke & Ravi, 2024; Le, 2023). Empirical studies have confirmed a significant relationship between environmental performance and corporate image (Cha & Jo, 2019; Chen et al. 2021; Demeke & Ravi, 2024; Fosu et al. 2024; Huong et al. 2021; Le, 2023). Finally, it is known in the empirical research report that the three economic, social, and environmental performances

tested in one model regarding the influence of the three on social welfare have a significant correlation. (Duc Tai, 2022; Dwijatenaya et al. 2024; Mustofa et al. 2021). However, those previous studies have not tried to analyze the three CSR performances on corporate image and social welfare in the same research model. Therefore, this research was also carried out to fill the research gap with the research aim of analyzing the influence of the performance of the CSR program in the agricultural sector implemented by ABC Ltd on corporate image and social welfare. Furthermore, this research adopted quantitative research by using the Structural Equation Model technique (SEM). Through this analysis technique, this study expected that there would be a significant influence between the three CSR performances of ABC Ltd. in the agricultural sector on corporate image and social welfare.

METHODS

This research approach is quantitative, with primary data obtained from respondents' feedback in the questionnaire collected in May 2024 at Maluku Utara, Indonesia. The main questionnaire consisted of closed questions as the primary data collection instrument, and a 1-5 Likert scale was used (1 = strongly disagree, 5 = strongly agree). The population in this study was 117 recipients of the CSR Agriculture Program. This study used purposive sampling, namely judgment sampling to determine the research sample. One characteristic used in this study is the recipient of the CSR program of ABC Ltd. in the Agriculture Sector who has completed at least one program period. This characteristic is due to the accuracy of the target of the research analysis of the objectives of this study which seeks to evaluate the impact of CSR both from the economic, social and environmental aspects on Corporate Image and community welfare (Thomas, 2022). Based on the purposive sampling criteria, it is known that 20 members of the research population do not meet the criteria. Therefore, the number of samples used in this study is 97 respondents. The minimum observation data processed is five to ten times the number of the largest indicators for a variable in the research model. The 97 samples can be said to be sufficient in processing this data because they correspond to the minimum number of observations (Table 1) (Hair et al. 2022). The analysis technique used in this research is SEM-PLS. The reason for using This technique can be used

because the variables used are latent variables, which are defined as variables that cannot be stated and realized directly. Instead, they use indicator measurements (Chen & Payette, 2021). Each variable in this research is measured using research variable indicators (Tabel 1).

Implementing CSR activities effectively, efficiently and flexibly will improve the corporate image, because CSR activities provide empowerment which has an impact on improving the surrounding community's economy (Yucha et al. 2021). The company's responsibility directs the perception of economic performance that emerges from the views of the community around the company. Previous studies have then proved the economic performance of the company's CSR implementation to have a significant influence on the corporate image of CSR program implementers (Cha & Jo, 2019; Demeke & Ravi, 2024; Le, 2023; Putra et al. 2020; Shahid & Lakho, 2024; Zhang, 2022). Therefore, this study proposes the following first hypothesis: H1: Economic Performance of CSR has a significant correlation to Corporate Image

Corporate Social Responsibility is the commitment to continuously act ethically, operate legally and contribute to economic improvement including improve the quality of local communities and society at large (Radu & Smaili, 2021). The existence of CSR programs can increase family income and improves the welfare of program recipients. Previous studies have then proved economic performance from the implementation of corporate CSR to have a significant influence on welfare or social welfare (Duc Tai, 2022; Dwijatenaya et al. 2024; Mustofa et al. 2021). Therefore, this study proposes the following second hypothesis: H2: Economic Performance of CSR has a significant correlation to Social Welfare

The essence of social performance in implementing CSR is respecting other people thus the corporate image will improve. Implementing CSR programs consistently and on target can actively provide support for social activities that provide positive benefits to the wider community in the form of several sector support. Previous studies have then proved the social performance of the company's CSR implementation to have a significant influence on the corporate image of CSR program implementers (Chen et al. 2021; Demeke & Ravi, 2024; Le, 2023; Putra et al. 2020; Zhang, 2022). Therefore, this study proposes the following third hypothesis:H3: Social Performance of CSR has a significant correlation to Corporate Image

Table 1. Operational Variable

Operational Definition of Variables	Indicator
Corporate image (CI) is the perception that society has regarding vision, service quality, emotional appeal and innovation (Le, 2023; Sang et al. 2022)	Adapted from Le (2023) dan Sang et al. (2022) CI1: Suitability of program benefits with community needs CI2: The company's proactive attitude towards program problems CI3: Company openness during the program CI4: Good company relationship with program recipients CI5: Good communication relationship between the company and program recipients CI6: Company Quality Confidence CI7: Respectful attitude of program recipients towards the company CI8: Program innovation and the formation of independence CI9: Sustainable program orientation
Social welfare (SW) is satisfaction with the stability of household condition characteristics (Cai et al. 2023; Skoufias et al. 2020).	Adapted from Badan Pusat Statistik (2022) SW1: Satisfaction with changes in family income SW2: Satisfaction with changes in food expenditure SW3: Satisfaction with changes in non-food expenditure SW4: Satisfaction with educational change SW5: Satisfaction with health changes SW6: Satisfaction with changes in housing conditions SW7: Satisfaction with changes in home facilities
Economic performance is providing employment opportunities to local communities; providing financial assistance and providing basic needs assistance (Ebrahimi et al. 2022; Rodriguez-Gomez et al. 2020).	Adapted from Rodriguez-Gomez et al. (2020) EcP1: Access employment opportunities EcP2: Access Capital EcP3: Basic needs assistance EcP4: Improving family economics EcP5: Improvement of the community's economy EcP6: Duration suitability EcP7: Time compatibility EcP8: Location suitability
Social performance is the specific needs of program recipients regarding welfare, health and security (Rodriguez-Gomez et al. 2020)	Adapted from Rodriguez-Gomez et al. (2020) SP1: Increase in my knowledge SP2: Educational scholarships SP3: Free health services SP4: Assistance for maternal and child health infrastructure SP5: Health infrastructure assistance SP6: Feeling of physical security SP7: Feeling of psychological security
Environment performance is a positive environment-based impact both in terms of quality and disturbance (Rodriguez-Gomez et al. 2020).	Adapted from Rodriguez-Gomez et al. (2020) EnP1: Regular reports on clean water quality EnP2: Community involvement in clean water management EnP3: Education on hygiene and clean water EnP4: Early warning EnP5: Education on procedures for potential negative events

The implementation of company CSR activities is sensitive to the social problems faced by society (Costello, 2021). The implementation of CSR carried out by companies plays a role in helping to fulfill society's interests, ultimately contributing to improving society's welfare. This increase can be obtained from empowering the surrounding community through company CSR programs Social performance from the implementation of corporate CSR has then been proven by previous studies to have a significant influence on welfare or social welfare (Duc Tai, 2022; Dwijatenaya et al. 2024; Mustofa et al. 2021). Therefore, this study proposes the following fourth hypothesis:
H4: Social Performance of CSR has a significant correlation to Social Welfare

A company that is good and cares about the surrounding environment can be seen through how the company manages the waste it produces (Yucha et al. 2021). The company's Corporate Social Responsibility program can contribute to the environment and sustainability of biodiversity with activities in the form of reforestation, providing clean water facilities, improving settlements, developing tourism (ecotourism) and providing plant seeds to the community. Previous studies have then proved the environmental performance of the company's CSR implementation to have a significant influence on the corporate image of CSR program implementers (Alam & Islam, 2021; Cha & Jo, 2019; Chen et al. 2021; Demeke & Ravi, 2024; Fosu et al. 2024; Huong et al. 2021; Le, 2023; Putra et al. 2020; Zhang, 2022). Therefore, this study proposes the following fifth hypothesis:
H5: Environment Performance of CSR has a significant correlation to Corporate Image

It is important for companies, especially mining companies, to care about the impacts caused by operational activities close to community areas, whether directly or indirectly. Through the seed-giving program carried out in the agricultural sector, it is supported by activities. development of farmer groups, assistance with production facilities, and agricultural counselling, to create employment opportunities and improve community welfare. Moreover, In farming activities, farmers act as managers and workers also (Hernawati et al., 2023). Previous studies have then proved environmental performance from the implementation of corporate CSR to have a significant influence on

welfare or social welfare (Duc Tai, 2022; Dwijatenaya et al. 2024; Mustofa et al. 2021). Therefore, this study proposes the following sixth hypothesis:
H6: Environmental Performance of CSR has a significant correlation to Social Welfare

In general, three aspects are described in SEM data analysis. The first is an evaluation of the measurement model assessment through the main evaluation, which is validity-based testing using the AVE/AVE evaluation, reliability-based testing using Cronbach's alpha, and composite reliability evaluations (Ali et al. 2023). Next, we evaluated the measurement model assessment using R Square or R^2; Standardized Root Mean square Residual or SRMR; and Q Square or Q^2 (Hair et al. 2022). Third, we tested the research hypothesis. The hypothesis testing criteria used were an error degree of 5% or a significance level of 0.05. Figure 1 illustrates the research model used in this study.

RESULTS

Respondent Characteristics

Based on the total number of research respondents, 49.5% were male and 50.5% were female. Based on age, which was then classified into generations, 59.8% Gen X and 40.2% Gen Y. Based on income before participating in the program, 13.4% of respondents did not have an income greater than the minimum wage. After participating in the program, all respondents had an income greater than the minimum wage, and it was recorded that there was a 142.7% increase in the average income of respondents. Related to the social, especially the knowledge conditions of program recipients, initially the research subjects as program recipients only planted crops for family food needs. Participation in the program included training increased broader knowledge of agricultural management and formed the entire (100%) CSR program recipients who made agriculture their main livelihood for income generation. Related to the environment, especially the availability of clean water for household needs, almost half of the research respondents had a change in bathroom ownership status from not being their own (either public or shared), to having their own bathroom (44.3%).
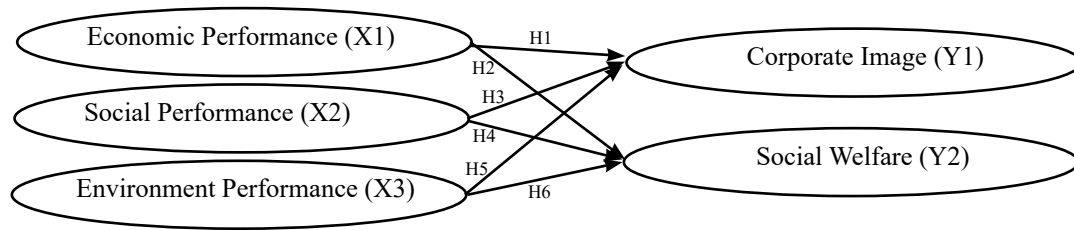
Figure 1. Research Model

Measurement Model Assessment

AVE evaluation was carried out by comparing the output value with 0.5 (Ali et al. 2023). The output value of all research variables is greater than 0.5; therefore, it can be declared valid (Table 2). Cronbach's alpha was evaluated by comparing the output value with 0.6 (Wang et al. 2023). The output value of all research variables is more significant than 0.6, so it can be declared reliable. Composite reliability evaluation is carried out through the process of comparing the output value with 0.6 (Ali et al. 2023). The output value of all research variables is greater than 0.6; thus, it can be declared reliable.

Structural Model Assessment

Based on the results of statistical processing, it was found that the Adjusted R-squared (R^2) value of the corporate image variable was 0.934 or 93.4%, which means that the economic, social, and environmental performance variables contributed 93.4% to ABC Ltd. 's corporate image, while other variables outside this research model determined 6.6%. The Adjusted R-squared (R^2) value of the social welfare variable is 0.900 or 90.0%, which means that the economic, social, and environmental performance variables contribute 90.0 percent to the corporate image of ABC Ltd. In comparison, 10.0% were determined by other variables outside this research model. Based on an R^2 value of more than 0.67, it can be said that the model is included in the strong category. SRMR testing was performed to perform the Fit Model test. Based on the statistical processing results, it was found that the SRMR value was 0.095, which means that the proposed model is suitable or close to the empirical data. This is because the SRMR value was less than 0.10. Testing Q^2 of the corporate image variable obtained a value of 0.594, and

the Q^2 value of the social welfare variable was 0.557, which means that the model has predictive relevance because it has a Q^2 value of more than zero (0). Based on the Q^2 test results, it can be seen that the model is included in the strong category because the Q^2 value is greater than 0.5 (Hair et al. 2022).

Research Hypothesis Testing

This research hypothesis is tested, and decisions are made based on the p-value (Table 3). The decision-making criteria are p-value or significance level < 0.05, H_0 is rejected, and decisions are made based on the alternative hypothesis (significant relationship), and vice versa. Hypothesis testing showed that the p-values of all hypotheses proposed were smaller than the specified significance level (0.05). Based on the decision-making criteria, H0 is rejected, and decision-making is based on the alternative hypothesis (significant relationship). In the data processing output of this study, it was found that the original sample values for all proposed research hypotheses had a positive notation (+). The notation of the original sample values can be used to interpret the direction of the relationship between variables. Therefore, a significant positive relationship was found in all proposed research hypotheses. Based on the findings of this research, with the novelty of the research model through the simultaneous evaluation of the three CSR agricultural programs' performance in mining corporate image and social welfare in the operational area, this research contributes to the novelty of the model and results that can become a policy reference. Company image and social welfare are the interests of the two parties (the company and the surrounding community as stakeholders). The Agriculture CSR Program, with various CSR performance achievements, can become an intersection of fulfilling the interests of both parties.

Table 2. Measurement Model Analysis

Variable	AVE	Cronbach's Alpha	Composite Reliability
Economic Performance	0.604	0.917	0.917
Social Performance	0.579	0.896	0.896
Environment Performance	0.701	0.893	0.893
Corporate Image	0.640	0.903	0.903
Social Welfare	0.548	0.860	0.860

Table 3. Result of Hypothesis Testing

Hipotesis	Original Sample	P value	Interpretation
H1: Economic Performance → Corporate Image	0.372	0.000	H0 Rejected
H2: Social Performance → Corporate Image	0.319	0.000	H0 Rejected
H3: Environment Performance → Corporate Image	0.331	0.000	H0 Rejected
H4: Economic Performance → Social Welfare	0.352	0.000	H0 Rejected
H5: Social Performance → Social Welfare	0.453	0.000	H0 Rejected
H6: Environment Performance → Social Welfare	0.200	0.004	H0 Rejected

First, related to economic performance analysis this research proves that better economic performance of the ABC Ltd Agriculture CSR Program will improve ABC Ltd. 's corporate image as result of first hypothesis. This research aligns with several previous studies that have confirmed similar results (Cha & Jo, 2019; Demeke & Ravi, 2024; Le, 2023). Empirically, the public's impression of ABC Ltd. has changed since the implementation of the CSR program in the agricultural sector. There was resistance when ABC Ltd. started operating. However, the community felt that ABC Ltd. could effectively provide a program that involved the community and took sides with the surrounding community. This illustrates that CSR is also a tool for creating a good corporate image, so CSR can not only improve a company's positive image but also help the company restrain negative influences (Le, 2023). ABC Ltd. not only provides access to capital and employment opportunities, but in this program, the community is also provided with a market for agricultural production so that the community feels that they are not burdened with the sales process. The intersection between a company's needs for agricultural production and opportunities for the community becomes a mutually beneficial CSR program. Therefore, people tend to respect ABC Ltd and have confidence that ABC Ltd, as a mining company, is of good quality. Specifically, for mining companies, economic performance is crucial for establishing a good corporate image based on the community's perspective in the operational area (Putra et al. 2020).

Furthermore, this research also proves that the better economic performance of the ABC Ltd. Agriculture CSR Program will improve the social welfare of ABC Ltd as result of second hypothesis. This research is in line with several previous studies that have confirmed similar results (Duc Tai, 2022; Dwijatenaya et al. 2024; Mustofa et al. 2021). Prosperity is everyone is goal. Companies that have implemented CSR on economic performance, such as programs oriented towards increasing income and employment opportunities, have the potential to increase people's family income, which leads to social welfare conditions (Mustofa et al. 2021). At a time when ABC Ltd. had not yet implemented a CSR program in the agricultural sector, initially, the research subjects, as recipients of the CSR program, only planted plants for family food needs. Basically for self-sufficient of staple crops on a household scale (Santoso & Aryati, 2022). From the beginning of the program until this research was conducted, the research subjects, as recipients of the CSR program, began planting plants to earn income. Access to capital and job opportunities is a fresh way to improve the quality of life of program recipients. Therefore, when a company has a CSR program oriented towards the community's economy, good economic performance will increase satisfaction (Duc Tai, 2022). As is known for farmers, partnerships are seen as capable of improving their welfare because they can open up access to financing, markets, and technical counselling (Bosawer et al., 2023; Hakim et al., 2024).

Afterwards, in the analysis of farming businesses, this research found that the ratio of total revenue to total costs (R/C) of the two farming businesses based on the type of agriculture was greater than one. Therefore, both types of agriculture, cultivating fruit and staple crops, are categorized as profitable farming types. An analysis of sustainable farming has three main aspects, the first of which is the economic aspect (Altobelli & Henke, 2024; Moreno-miranda & Dries, 2022; Mungkung et al. 2022). Supply chains are crucial in the agricultural sector (Tort et al. 2022). The supply chain is defined as the process of obtaining products from the manufacturer and sending them to the end-user (customer) and gain a competitive advantage (Li et al., 2022; Sijabat & Hardianawati, 2024). ABC Ltd. 's role in providing capital (in the form of various tools and materials needed for fruit and staple crop cultivation operations), training, and being the main market are the main factors that shape good economic performance in sustainable farming businesses. This performance will then encourage the sustainability of the ABC Ltd Agriculture CSR Program.

Second, related to social performance analysis this research proves that the better social performance of the ABC Ltd Agriculture CSR Program will improve its corporate image as result of third hypothesis. This study is in line with several previous studies that confirmed similar results (Chen et al. 2021; Demeke & Ravi, 2024; Le, 2023). CSR social performance addresses specific needs related to welfare, health, and security (Rodriguez-Gomez et al. 2020). ABC Ltd's CSR program is implemented not only in the agricultural sector (economic sector) but also in the education, health, socio-cultural, and infrastructure sectors. These various fields are realized in various programs, such as scholarships, free health services, and health infrastructure, so that a feeling of security is felt by the community and specifically by program recipients. The social performance of the ABC Ltd Agriculture CSR Program in practice gives the impression of a proactive attitude that gives people a tendency and closeness to have a good perception of the company. As is known, a company can achieve a responsible corporate reputation if the company is seen as a company that behaves well by the public and with good intentions (Chen et al. 2021).

Furthermore, this research also proves that the better the social performance of the ABC Ltd Agriculture CSR Program, the better the social welfare of ABC Ltd as result of fourth hypothesis. This research is in line with several previous studies that have confirmed similar results (Duc Tai, 2022; Dwijatenaya et al. 2024; Mustofa et al. 2021). Welfare is viewed as a form of change in family income conditions and broader matters related to welfare. Social performance that focuses on the specifics of community needs will lead to accurate targets for achieving social welfare (Dwijatenaya et al. 2024). Before the implementation of the ABC Ltd Agriculture CSR Program, more than 50% of the income was used by the majority of the research subjects to meet food needs, and more than half of the remainder was used for housing and housing facilities. Less than 15% of the total income is allocated to other living costs, such as education and health. In a prosperous society, in general, the majority of expenditure is not allocated to food needs (Cutillo et al. 2022). Implementation of the CSR program based on economic performance forms satisfaction with the level of family income, composition of household expenditure for both food and non-food, level of family education, level of family health, and housing conditions and facilities of program recipient households. A CSR program with good social performance will create social welfare as a result of this achievement (Duc Tai, 2022).

Afterwards, The second aspect of sustainable farming analysis is social (Altobelli & Henke, 2024; Moreno-miranda & Dries, 2022; Mungkung et al. 2022). From a social perspective, one of the essential aspects of the analysis of sustainable farming is employment orientation toward gender equality (Moreno-miranda & Dries, 2022; Mungkung et al. 2022). Gender equality is defined as equality of status between the two genders (women and men) and ownership of the same opportunities to obtain the same opportunities in all areas of public life (Shemiakin et al. 2024). As explained previously, for all ABC Ltd Agriculture CSR Program recipients, there is no large difference in the level of participation for each gender. This is one of ABC Ltd. 's commitments to implementing CSR programs to accommodate gender equality while empowering women. A broader study related to this is that gender equality then has a real impact on GDP (Gross Domestic Product) per capita (Cameron, 2023). The GDP per capita is defined as the final value of goods and services produced within the geographical boundaries of a country within a certain period. This can then be viewed as a key indicator of the size and development of the national economy (Pham et al. 2023). Providing equal opportunities for both genders

to participate in CSR programs in the agricultural sector received a good response and showed optimal results for changing the lives of people in ABC Ltd. 's operational areas. This means that from the farming business analysis, the ABC Ltd Agriculture CSR Program has a good social sustainability potential.

Third, related to environment performance analysis this research proves that the better environmental performance of the ABC Ltd Agriculture CSR Program will improve its corporate image as result of fifth hypothesis. This research is in line with several previous studies that confirmed similar results (Cha & Jo, 2019; Chen et al. 2021; Demeke & Ravi, 2024; Fosu et al. 2024; Huong et al. 2021; Le, 2023). Implementing a CSR program that is environmentally oriented toward the surrounding community is a form of company policy in the formulation of generosity (Demeke & Ravi, 2024). At the start of operations, ABC Ltd. received a negative response due to public suspicion that the company's activities would potentially damage the environment. ABC Ltd., through various efforts and communication with the community, has developed a CSR program related to improving environmental quality. CSR programs related to environmentally beneficial activities for the surrounding community have led to an improved corporate image (Le, 2023; Putra et al. 2020). Mining companies naturally harm the environment, so they take very intensive and comprehensive CSR initiatives to compensate the community and build a good image. Thus, CSR can be used as a preventive tool to control the risk of image damage by investing in CSR through innovative, environmentally friendly programs to increase public trust and improve the corporate image (Fosu et al. 2024).

Furthermore, this research proves that better environmental performance of the ABC Ltd Agriculture CSR Program will improve the social welfare of the community around the ABC Ltd operational area as result of sixth hypothesis. This research is in line with several previous studies that have confirmed similar results (Duc Tai, 2022; Dwijatenaya et al. 2024; Mustofa et al. 2021). The community in ABC Ltd. 's operational areas was aware of the need for good environmental quality. The programs in the form of CSR implemented by ABC Ltd have gradually become recognized as having an impact on environmental quality, which, at first, had the opposite perception

of. Therefore, the better a company's environmental performance in implementing CSR programs, the greater the improvement in social welfare will be improved (Dwijatenaya et al. 2024). Implementing CSR programs by achieving good environmental performance influences satisfaction with the environmental conditions of society, thereby leading to social welfare as a primary stakeholder (Duc Tai, 2022).

Afterwards, the final aspect of sustainable farming analysis is the environmental aspect (Altobelli & Henke, 2024; Moreno-miranda & Dries, 2022; Mungkung et al. 2022). In field observations, this research found that the equipment used in the ABC Ltd Agriculture CSR Program prioritizes conventional, traditional equipment, such as hoes, and the agricultural materials used, such as fertilizers and pesticides, focus on organic and environmentally friendly materials. This is because, apart from implementing programs based on economic empowerment, ABC Ltd. is also oriented towards preserving nature. This action is a manifestation of natural protection behavior (Solekah et al. 2022). The use of conventional agricultural equipment and environmentally friendly raw materials can reduce the possibility of damage and decrease soil productivity as a result of land exploitation that exceeds the carrying capacity of the land (Wang, 2022). Awareness of land use by optimizing it and not carrying out risky exploitation will shape the sustainability of the implementation of the ABC Ltd. Agriculture CSR Program. It is known that one generation needs to pass on good natural conditions to the next generation. This means that from the farming business analysis, the ABC Ltd Agriculture CSR Program can be said to have good sustainability potential from an environmental perspective. Based on this evaluation, ABC Ltd needs to expand the reach of its CSR program in the agricultural sector, thereby providing more benefits for both the company and society. One step that can be taken is to reach the next generation of people, namely Gen Z (this program is still reaching Gen X and Y). Gen Z is a generation that has grown up with various environmental issues such as climate change, environmental quality, and sustainable resource use and so on (Toma *et al.* 2023). Furthermore, the speed of adapting to various novelties is something that has more value than the previous generation (Homer & Khor, 2022). The reach of Gen Z in the program allows for increased efficiency and effectiveness as a result

of adapting technology oriented towards society and nature (Nurlaela et al. 2023). The implementation of CSR programs and good performance that has been proven to be able to form a good corporate image and bridge social welfare will have a domino effect on bigger things, one of which is improving the country's economy (Cabral & Sasidharan, 2021).

Managerial Implications

ABC Ltd.'s corporate image and the social welfare of program recipient communities have been proven to be significantly positively influenced by the economic performance of CSR programs in the agricultural sector. Based on the findings of this research, management can provide stimulation in the form of activities to expand the reach of the CSR program through various adaptive methods so that it is not only able to expand the reach to the same generation group as the actual program recipients (Gen X and Y) but also to the younger generation group (Gen Z). Expanding the program through this will then increase the achievement of economic performance which in the end will be able to improve the company's image and the welfare of the community around ABC Ltd.'s operational areas. In further implications, ABC Ltd.'s corporate image and the social welfare of program recipient communities are proven to be significantly positively influenced by social performance. Based on the findings of this research, management can provide stimulation in the form of information stimulus related to other CSR programs implemented by ABC Ltd. and take various paths so that ABC Ltd.'s CSR program can maximize the specific needs of the surrounding community. This information stimulus is carried out widely so that it can reach a wider community, both in the same generation group as the actual program recipients (Gen X and Y) and also in the younger generation group (Gen Z). This stimulus will then increase ABC Ltd.'s social performance achievements which will improve the company image and community welfare needed by ABC Ltd. as a mining company. Lastly, ABC Ltd.'s corporate image and the social welfare of program recipient communities were proven to be significantly positively influenced by environmental performance. Based on the findings of this research, management can provide stimulation in the form of providing information on environmental performance achievements that are oriented towards improving environmental quality and reducing disturbances that are the focus of society.

Accommodation of information asymmetry related to environmental performance will expand the reach of the program and improve perceptions of environmental performance carried out by companies both in the same generation group as the actual program recipients (Gen X and Y) and also in the younger generation group (Gen Z). The information stimulus process that increases the perception of social performance that has been carried out will improve the company's image and wider reach and will increase welfare through a domino effect so that it is beneficial for ABC Ltd.'s management during and after the implementation of the CSR program period.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

This study found that the performance of the ABC Ltd Agriculture CSR Program, both economic, social, and environmental, is a determinant factor that significantly improves ABC Ltd's corporate image as a mining company. Therefore, these three CSR activities are also determinant factors that significantly improve social welfare in ABC Ltd. 's operational areas.

Recommendations

The findings and analysis in this research recommend that ABC Ltd. implement CSR in the agricultural sector and become the main focus of research to improve CSR performance by considering the three CSR performances: economic, social, and cultural. These considerations were considered during the CSR program implementation stages. They are community-oriented, so that the positive image of the company and social welfare in the surrounding area can be achieved better over time. Furthermore, ABC Ltd. can expand the program's reach specifically to Gen Z to achieve effectiveness and efficiency in implementing CSR programs in the agricultural sector.

In addition, researchers realize that this study has limitations related to the fact that it has not yet described the challenges and solutions mining companies face in implementing CSR programs. Nevertheless, this research has been able describes the performance of mining companies' Agriculture CSR Program, which is a strategy for achieving a balance between corporate

image and social welfare. Therefore, this research recommends that future researchers conduct research by adding to this analysis by utilizing the internal strategic factors analysis summary (IFAS-EFAS) or Analytic Network Process analysis techniques.

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