

Improvement of Knowledge and Understanding of Green Leadership for Employees of BPR Restu Artha Makmur

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Abstract

Purpose: This research paper explores the success of PT BPR Restu Artha Makmur, a rural bank founded in Semarang City in September 2003. It focuses on the bank's recognition as the Best Rural Bank in Indonesia for assets ranging from Rp 100 billion to Rp 500 billion by Infobank magazine in March 2013 and its Sixth Best Rural Bank ranking in the same category in June 2014. The study highlights the role of leadership in transforming the bank from a profit-centric institution to one emphasizing financial sustainability, social responsibility, and environmental consciousness.

Method: This descriptive case study uses publicly available data, avoiding analytical techniques.

Practical Applications: PT BPR Restu Artha Makmur's success story serves as a model for financial institutions aiming to adopt sustainable finance, social responsibility, and environmental awareness. It demonstrates the benefits of such a transformation, offering inspiration for banks looking to integrate green practices and leadership into their operations.

Conclusion: PT BPR Restu Artha Makmur's journey underscores the rewards of green leadership and sustainable finance, showcasing the potential for positive impact and financial sustainability. It serves as a beacon for financial institutions seeking to embrace sustainability and responsible practices.



Introduction

Rural Credit Bank (BPR) is a bank that does not offer payment transaction services and conducts its commercial activities either in accordance with traditional business practices or on the basis of Sharia principles (Khansa & Kamarudin, 2023). It is against the law for BPR to accept demand deposits, engage in activities involving foreign exchange, or provide insurance services; as a result, the activities that BPR engages in are far more limited than those of commercial banks (Yasin & Fisabilillah, 2021). In accordance with the regulations established by the Bank of Indonesia, BPR is permitted to carry out the following types of business: collecting funds from the general public in the form of time deposits, savings, or other equivalent forms; providing credit; offering financing and fund placements based on Sharia principles; and investing its funds in the form of Bank of Indonesia Certificates (SBI), time deposits, certificates of deposit, or savings accounts at other banks (Nadilla, 2017) (Suci, 2017).

PT BPR Restu Artha Makmur is recognized as one of the most essential BPRs in the city of Semarang. The beginning of the Restu Group's history can be traced back to August 9, 1990, when BPR Restu Mranggen Makmur was established in Mranggen. The restaurant first opened its doors for business on that day. After that, on February 10, 1994, the second BPR was founded and given the name BPR Restu Klepu Makmur. This occurred four years after the first BPR. After going through some highs and lows with the management of the BPR, the city of Semarang finally developed its third BPR 13 years later. The BPR Restu Artha Makmur was established on September 8, 2003, making it the third BPR to be established. On June 24, 2004, exactly one year after the formation of BPR Restu Artha Makmur, the fifth BPR, named BPR Restu Klaten Makmur, was formed in Klaten. This BPR is located in Klaten. In the same year, on September 23, 2004, the fifth BPR, which would later be known as BPR Artha Mukti Santosa, was created in the city of Semarang. Between the years 1990 and 2004, the Restu Group had already created a total of five BPRs, four of which were situated in the Semarang region and one of which was located in Klaten.

PT BPR Restu Artha Makmur was established in September 2003 and is currently based in the city of Semarang. The current assets of this BPR total Rp 150 billion, and it employs a total of 170 people. In the issue published in March 2013, Infobank magazine ranked PT BPR Restu Artha Makmur as the Best Rural Bank in Indonesia for the asset category of Rp 100 billion to Rp 500 billion. In the issue published in June 2014, Infobank magazine ranked the same asset category and ranked PT BPR Restu Artha Makmur as the sixth-best rural Bank in Indonesia. At the end of the year 2021, the total assets held by PT BPR Restu Artha Makmur amounted to Rp 437.4 billion.

The contribution of the leadership to the management and decision-making processes that drive PT BPR Restu Artha Makmur's success can be traced back to the company's early days. The leadership of BPR, which had previously been primarily concerned with maximizing financial profit, has recently switched its attention to finance, social responsibility, and environmental consciousness (green firm), as those concepts are articulated in the practice of sustainable finance.

A movement that seeks to promote environmentally conscious leadership has begun to gain popularity among younger people. This trend is known as green leadership (Fatoki, 2023) (Kozlova & Volkova, 2019). The Indonesian Green Institute is the one responsible for starting up the Green Leadership Program in Indonesia (Rany et al., 2020) (Gustiah & Nurhayati, 2022). The purpose of this program is to provide young people, who are the nation's potential future leaders, with opportunities to broaden their viewpoints on issues of social justice and environmental advocacy. It tries to discover future leaders from a variety of backgrounds in order to ensure that all aspects of society have leaders who have environmentally conscious ideas and a real commitment to the protection of the environment (Purwaningsih, 2020). The concept that Indonesia's natural resource and environmental concerns demand the attention of all components of society, especially the younger

generation, is the basis of green leadership in the country (Bahzar, 2019). In order to effectively manage the environment and forests, Indonesia has to ensure that the next generation is well-educated, has a broad base of knowledge, and possesses strong leadership qualities (Pebriantika et al., 2020) (Normalin et al., 2021). The Green Leadership movement is an effort to encourage younger generations to assume positions of leadership that are cognizant of their impact on the environment (Zhuravleva, 2022) (Kgomomo & Modley, 2023). The contribution of leadership to the management and decision-making processes at PT BPR Restu Artha Makmur is a primary reason for the company's current level of success. The leadership of BPR initially prioritized financial profit, but they have since shifted their focus to value social responsibility and environmental sustainability, as stated in the implementation of sustainable finance.

The Community Service Team from the Faculty of Psychology at the University of Semarang welcomed all supervisors and managers of PT BPR Restu Artha Makmur in Semarang to develop their knowledge and understanding of green leadership as part of this community service program. The supervisors and managers of PT BPR Restu Artha Makmur in Semarang would benefit from this community service by gaining knowledge, awareness, and information pertaining to green leadership. The participants in this community activity will have a deeper comprehension of ecologically responsible leadership as a direct result of the experience. The solution that is provided by this community service program is intended to educate and enlighten the supervisors and managers of PT BPR Restu Artha Makmur in Semarang regarding the principles of environmentally responsible leadership through a series of lectures, sharing sessions, and roundtable discussions. The goal is to increase both their knowledge and their comprehension of responsible environmental leadership. Leadership is a process that involves influencing other people and supporting the attainment of common goals (Lavanya, 2021). This is accomplished by defining a vision, mission, and values that communicate the aspirations of the firm and provide answers to the questions posed by individuals working for the organization.

Method

The training activities were conducted in the form of lectures, sharing sessions, and discussions to enhance knowledge and understanding of green leadership. The participants consisted of 15 employees who were supervisors and managers of PT BPR Restu Artha Makmur in Semarang City. The training took place at the PT BPR Restu Artha Makmur office, located at Jl. Majapahit 129B, Semarang, on Friday, June 24, 2022. The implementation of the training activities followed several stages, including preparation, presentation, execution, and evaluation. The activities scheduled for each stage are detailed in Table 1.

The first stage is preparation, which involves selecting the location or area to be used for community service activities. The second stage is assessment, where an analysis of the situation, conditions, and issues in the chosen area is conducted. This analysis helps identify the critical issues in the location, formulate the problems, and determine appropriate solutions. The third stage is execution, during which the planned activities developed by the Community Service Team are carried out according to the agreed-upon or planned dates. The fourth stage is evaluation, aimed at measuring the impact and effectiveness of the conducted program activities.

A pre-test was administered to the participants before the training to assess their knowledge of personal development before receiving the training. After the training was completed, a post-test was given to measure the achievement of the training objectives. The data from the pre-test and post-test were then processed using the SPSS program to conduct descriptive t-tests.

Table 1. Stages of Training Implementation

Activity	Purpose	Duration
Opening and Introduction	To start the Community Service activity, both participants and the service team	10 minutes
Pre-Test	To assess participants' knowledge and understanding of green leadership before the presentation of the material	15 minutes
Explanation and Purpose	To align perceptions and views between participants and the Service Team	10 minutes
Lecture	To provide material on green leadership	45 minutes
Sharing and Discussion	To engage in discussions on real-life cases or issues related to green leadership	45 minutes
Post-Test	To gauge participants' knowledge and understanding of green leadership after receiving the material	15 minutes

Result

The results of the community service activity conducted on Friday, June 24, 2022, at the PT. BPR Restu Artha Makmur office in Semarang included the creation of a module that was registered with the Ministry of Law and Human Rights under the Copyright Registration Letter dated August 4, 2022. Furthermore, the community service activity was published on kampuspedia.id on August 7, 2022, Wartha USM on July 8, 2022, and Kusakata on July 9, 2022. The next phase of this community service is the evaluation stage, where data from the pre-test and post-test are analyzed to assess the effectiveness of the conducted community service activities.

Table 2. Statistical Description

Test	N	Mean	Standard Deviation	Standard Error of the Mean
<i>Pre-Test</i>	15	3.5333	1.12546	.29059
<i>Post-Test</i>	15	5.8667	.35187	.09085

Based on the results of the descriptive statistical test of pre-test and post-test data in Table 2, it is known that the average understanding and knowledge scores of green leaders, as perceived by participants before this community service activity, were 3.53. After the community service, they became 5.86. This indicates that there is a difference in knowledge and understanding of green leadership.

Table 3. T-Test Results

Test	N	Mean	Standard Deviation	Standard Error of the Mean	Sig (2-tailed)
<i>Pre-Test</i>	15	3.5333	1.11270	.28730	.000
<i>Post-Test</i>	15	5.8667			

The t-test results in Table 3 indicate an improvement in knowledge and understanding of green leadership among the supervisors and managers at PT. BPR Restu Artha Makmur, with a p-value of 0.00. Therefore, there is a significant difference between the pre-test and post-test, with a p-value of < 5%. Based on these t-test results, it is evident that this community service activity has been effective in enhancing the knowledge and understanding of green leadership among the employees of PT. BPR Restu Artha Makmur.

Discussion

The leadership of rural banks (BPR), whose initial emphasis was on financial profit, has shifted its focus to place a greater emphasis on sustainable finance, social responsibility, and the environment (green company), as specified in the implementation of a green company. The Green Leadership Movement is an initiative that was started with the intention of cultivating environmentally conscious leadership among younger people. The first step in gaining an understanding of green leadership is to educate and raise awareness among employees, particularly those who hold supervisory or managerial positions, regarding the meaning of green leadership as well as the advantages and effects it has on the environment, particularly in the context of the workplace. When employees at the supervisor and manager levels know about green leadership, they are expected to be able to influence others, particularly their subordinates, and mobilize the organization to achieve a long-term ecological sustainability vision in which the natural environment is given full attention. In this way, green leadership can be thought of as a form of influence rather than a style of management.

This vision can be characterized by the creation of corporate sustainability, which encompasses three dimensions of demands known as the triple bottom line: economic success and possibilities, social justice and quality of life, and the preservation of ecological resources. Business sustainability refers to an organization's dedication to achieving "competitive excellence" by implementing ecological and social development strategies, production processes, goods, and services that support innovative human resource management practices. Businesses make this commitment.

The community service program conducted by the Faculty of Psychology at the University of Semarang aimed to empower supervisors and managers at PT BPR Restu Artha Makmur with a deeper understanding of green leadership. This initiative recognized the pivotal role of leadership in driving organizational success and, increasingly, in fostering environmental consciousness by employing a multifaceted approach that included lectures, sharing sessions, and discussions. The program equipped participants with the knowledge and awareness necessary to embrace green leadership principles. The results, as demonstrated by the significant improvement in post-test scores compared to pre-test scores, underscore the program's effectiveness. As the world grapples with pressing environmental challenges, the emergence of environmentally conscious leadership within organizations like PT BPR Restu Artha Makmur reflects a broader global trend towards sustainable practices and a commitment to protecting the environment.

Conclusion

The conclusion of the community service activity conducted on Friday, June 24, 2022, aimed to provide knowledge, understanding, and information about green leadership. With the increase in knowledge and understanding of green leadership, it is expected that this will catalyze environmentally friendly behaviour and a commitment to environmental preservation, especially among the supervisors and managers of PT BPR Restu Artha Makmur in Semarang. The statistical test results with a p-value of 0.00 for both the pre-test and post-test indicate that this community service activity has effectively improved the knowledge and understanding of green leadership among the employees of PT BPR Restu Artha Makmur.

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