

THE INFLUENCE OF GOVERNMENT ROLES, SOCIAL RESPONSIBILITY, SOCIAL CAPITAL, AND FINANCIAL LITERACY ON WASTE BANK PERFORMANCE IN YOGYAKARTA

Nugraeni¹, Rochmad Bayu Utomo², Ni Luh Gde Ana Pertiwi^{3*}

^{1,2,3}Universitas Mercu Buana Yogyakarta, Jl Wates km 10, Argomulyo, Sedayu Bantul DIY, Indonesia

Email: ana.pertiwi@mercubuana-yogya.ac.id*

*Correspondence Author

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Pengaruh Peran Pemerintah, Tanggung Jawab Sosial, Modal Sosial, Dan Literasi Keuangan Terhadap Kinerja Bank Sampah Di Yogyakarta
Abstrak

Provinsi Daerah Istimewa Yogyakarta tidak luput dari permasalahan penumpukan sampah, yang diperparah dengan penutupan Tempat Pembuangan Sampah Terpadu (TPST). Piyungan Penelitian ini bertujuan melihat 1) peran pemerintah, CSR, modal sosial dan literasi keuangan terhadap orientasi kewirausahaan sosial, 2) peran pemerintah, CSR, modal sosial, literasi keuangan dan orientasi kewirausahaan sosial terhadap kinerja bank sampah, 3) Orientasi kewirausahaan sosial dalam memediasi hubungan peran pemerintah, CSR, modal sosial dan literasi keuangan terhadap kinerja bank sampah. Metode penelitian yang digunakan adalah metode penelitian kuantitatif. Sumber data yang digunakan adalah sumber data primer yang diperoleh melalui penyebaran kuesioner dengan jumlah sampel sebanyak 95 responden. Teknik analisis data yang digunakan adalah Structural Equation Model (SEM). Hasil penelitian 1) peran pemerintah, CSR dan literasi keuangan berpengaruh positif terhadap orientasi kewirausahaan sosial, sedangkan modal sosial tidak berpengaruh terhadap kewirausahaan sosial. 2) peran pemerintah, CSR, modal sosial, literasi keuangan dan orientasi kewirausahaan sosial berpengaruh positif terhadap kinerja bank sampah. 3) orientasi kewirausahaan sosial memediasi peran pemerintah, CSR, modal sosial dan literasi keuangan terhadap kinerja bank sampah.

Keywords: The Role of Government, Social Capital, Financial Literacy, Social Entrepreneurship, Waste Bank Performance

The Special Region of Yogyakarta Province is not immune to the problem of waste accumulation, which is exacerbated by the closure of the Piyungan Integrated Waste Disposal Site (TPST). This study aims to examine 1) the role of government, CSR, social Capital, and financial Literacy on social entrepreneurship orientation, 2) the role of government, CSR, social Capital, financial Literacy, and social entrepreneurship orientation on waste bank performance, 3) Social entrepreneurship orientation mediates the relationship between the role of government, CSR, social Capital, and financial Literacy on waste bank performance. The research method used is quantitative. The data source is a primary dataset collected through the distribution of questionnaires to a sample of 95 respondents. The data analysis technique used is the Structural Equation Model (SEM). The results of the study show that 1) the role of government, CSR, and financial Literacy has a positive effect on social entrepreneurship orientation. In contrast, social Capital does not affect social entrepreneurship. 2) The role of government, CSR, social Capital, financial Literacy, and social entrepreneurship orientation has a positive effect on waste bank performance. 3) Social entrepreneurship orientation mediates the role of government, CSR, social Capital, and financial Literacy on the performance of waste banks.

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Email : jramb@mercubuana-yogya.ac.id

INTRODUCTION

A medium-scale waste management strategy incorporates significant community participation, such as the Waste Bank program. Waste Bank operations in the Special Region of Yogyakarta (DI Yogyakarta) have not yet fully implemented the 3R principle (reduce, reuse, and recycle). Most activities culminate in waste sorting, which is then sold to collectors. The final stage of the 3R concept, recycling, has not been widely implemented. This issue concerns the suboptimal performance of Waste Banks in DI Yogyakarta. This suboptimal performance can be attributed to technical weaknesses, insufficient financial support, inefficient management institutions, limited community participation, and the marketing of recycled products. Another issue is the lack of waste-processing and transportation facilities to support Waste Bank activities. As of 2023, there were 479 Waste Banks in DI Yogyakarta, spread across 14 districts and 45 urban villages.

The government's role is also crucial to support waste management operations, including transportation, processing, final disposal, and utilization. According to Diva (2009), the government's role in the effective and optimal development of SMEs is manifested as: (1) a facilitator in entrepreneurship training, (2) a mediator in empowering and financing Waste Bank communities, and (3) a regulator in policies that facilitate the development of business creativity, investment, and waste collection systems. These findings are supported by research by Obaji and Olugu (2014), who found that the government's role influences the success rate of entrepreneurial orientation among SMEs across several countries.

Another source of funding for Waste Bank operators is CSR (Corporate Social Responsibility) from the private sector. Relevant private parties wishing to allocate funds also require assistance or mediation from government authorities, who are authorized to provide information on eligible Waste Bank operators. The availability of CSR funds is not yet sufficient to meet the needs of all Waste Bank operators, and it has not yet reached all waste banks because CSR information is not widely known among them. Assistance in the form of shredding machines should also be considered, as this can help Waste Bank operators process their waste. The role of social Capital is also an important value guideline for the existence of Waste Banks. Coleman (1998) defines social Capital as an aspect of social structure that facilitates the actions of individuals or corporate actors within it. Research by Rizky Humaira (2011) on the influence of social Capital on entrepreneurial orientation and the performance of waste banks found that social Capital influences entrepreneurial orientation. This is supported by research by Mujiburrahmad (2014), Tsai et al. (2000), Burt et al. (2001), Jones et al. (2011), Wang et al. (2022), and Mattessich (2014).

Financial management, through financial Literacy, is a crucial aspect for the progress of companies, particularly MSMEs, such as the Waste Bank in Yogyakarta Special Region. This is because the operators face human resource (HR) issues. Financial management can be implemented through an introduction to financial management and simple accounting reporting, which can measure the performance of the Waste Bank. By understanding financial management and reporting methods, Waste Banks in Yogyakarta Special Region are expected to understand their financial performance, identify, sort, and differentiate between business and owner finances, and understand cash flow, both in terms of sources and uses. Most Waste Banks in the Yogyakarta Special Region have recorded financial reports. However, these recording activities are still carried out manually. Furthermore, knowledge of good financial Literacy is still suboptimal. The manual recording process and lack of financial reporting mean that Waste Banks in Yogyakarta Province cannot evaluate their activities, achieve group goals or objectives, or establish future development plans.

Social entrepreneurship orientation influences waste management performance (Makhloufi et al., 2021). Entrepreneurial aspects are enhanced through a social entrepreneurial orientation. Empirically, social entrepreneurial orientation encompasses innovation, for example, encouraging waste bank entrepreneurs to find appropriate innovations for their business development; risk-taking, including courage in making decisions and having a plan to calculate risks; proactivity, for example, having initiative and persuasive actions to improve the business; and social character, including the ability to prioritize missions that become the primary objectives of the waste bank. These results are also supported by the research of Krauss et al. (2017) and Brouthers et al. (2015). Based on the background presented, this study focuses on the influence of government roles, CSR, social Capital, and financial Literacy on social entrepreneurship and waste bank performance in the

Special Region of Yogyakarta Province.

1. This study differs from previous research in several important aspects. First, this research integrates four key determinants, namely government roles, Corporate Social Responsibility (CSR), social Capital, and financial Literacy, into a single comprehensive framework to analyze their influence on social entrepreneurship orientation and waste bank performance. Previous studies generally examined these variables separately or only focused on one or two determinants of waste management performance. Second, this study introduces social entrepreneurship orientation as a mediating variable between external support factors and waste bank performance. Earlier research mainly emphasized direct relationships between entrepreneurial orientation and organizational performance, while limited studies explored the mediating role of social entrepreneurship orientation specifically in the context of waste banks. Third, this research focuses specifically on waste banks in the Special Region of Yogyakarta, which face unique environmental and waste-management challenges, particularly following the closure of the Piyungan Integrated Waste Disposal Site (TPST). This local context provides a distinctive contribution because most prior studies on social entrepreneurship and waste management were conducted in broader MSME or general environmental management settings rather than community-based waste bank institutions.

2. This study contributes to theory by combining social entrepreneurship theory, social capital theory, financial literacy concepts, and stakeholder support perspectives into an integrated model. Methodologically, the research also applies Structural Equation Modeling (SEM-PLS) to examine both direct and indirect effects among variables, allowing a more comprehensive understanding of the relationships between government support, CSR, social Capital, financial Literacy, social entrepreneurship orientation, and waste bank performance. Therefore, this study offers a more holistic and contextual approach in explaining the factors that influence the sustainability and performance of waste banks, particularly within the framework of community-based environmental entrepreneurship in Yogyakarta.

Hypothesis Formulation

MSME literacy encompasses the ability of business actors to comprehend financial. According to Bambang (2012), a Waste Bank is a place where a Waste Bank teller serves waste savers. Meanwhile, according to Sucipto (2012), it is a residential waste management strategy that implements the 3R strategy (Reuse, Reduce, and Recycle). Then, the community deposits the waste into an agency mutually agreed upon. It can be concluded that a Waste Bank is an integrated waste management facility with a banking mechanism within the community. According to Bull et al. (2006) and Marks et al. (2008), measuring the performance of Social Enterprises is still primarily based on their alignment with the goals or desired impact of the social enterprise. According to Haryanti et al. (2020), impact measurement for Social Enterprises is generally not well managed because most organizations already understand their social vision and mission, but are still in the process of developing a premise or theory of change, a method of planning, participation, and evaluation used by various organizations, both business companies and government sectors, to drive social change.

Indicators for measuring social enterprises' environmental engagement must reflect the theory of change that guides the social enterprise's goal, such as reducing carbon emissions, reducing waste, or encouraging participation in or awareness of the importance of environmental protection. Appropriate indicators are SMART: specific, measurable, attainable, relevant, and time-bound, allowing for comparisons over time. According to Hery (2015), in the thinking, conceptualization, and practice of social entrepreneurship, two figures have advanced the theory: Dees (2001) and Light (2008). According to Dees (2001), social entrepreneurship is a movement driven by a passion for helping others and creating change for the greater good. Social entrepreneurship differs from business entrepreneurship in many ways. The key difference is that social entrepreneurship operates with a clear social mission. The primary goal is to make the world a better place and measure success and its management structure.

Generally, a business entrepreneurial activity also provides benefits to many people, but social entrepreneurship prioritizes this as its primary goal rather than an impact/implication. This, of course, makes the implementation and management of social entrepreneurship different from those of business entrepreneurship. Although there are many overlaps between the two, according to Dees

(2001), the best way to measure entrepreneurial success is not by calculating the amount of profit generated, but rather by the degree to which they generate social value. Entrepreneurial orientation is a well-established concept in management science, whereas social entrepreneurship is relatively new. Implementing the concept of social entrepreneurship within the concept of entrepreneurial orientation is not impossible, as, in accordance with the initial concept, it begins with an entrepreneurial spirit as a primary factor (Alvord et al., 2004). According to Defourny et al. (2011), social entrepreneurship is an alternative global concept for examining activities with objectives that are not solely economic but also encompass social and environmental considerations.

According to Sascha Kraus et al. (2017), four agreed-upon criteria were identified for identifying indicators of social entrepreneurial orientation: innovation, risk-taking, proactiveness, and degree of social responsibility. These four criteria describe how a social business is created, planned, executed, and assessed for success. Placing innovation as the first criterion is appropriate, given that social innovation is the foundation of social business. Risk-taking also demonstrates the character of social entrepreneurs, who are willing to take business risks for the benefit of society and the environment.

Financial management, in the form of financial Literacy, is a crucial aspect for the progress of companies, particularly MSMEs, such as Waste Banks. This is because the actors involved face human resources (HR) issues. Financial management can be introduced through basic accounting and financial reporting to measure the performance of the Waste Bank. By understanding financial management and financial reporting methods, Waste Banks are expected to understand their financial performance, identify, sort, and differentiate between business finances and owner finances, and understand cash flow, both in terms of sources and uses. Suharto (2007) defines social Capital as a resource that arises from interactions between people within a community. Measuring social Capital rarely involves measuring the interactions themselves; rather, it measures the outcomes of those interactions, such as the creation or maintenance of trust among community members. Individually, interactions occur when intimate relationships form, fostering emotional bonds. Institutionally, interactions arise when the vision and goals of one organization align with those of another.

Social Capital differs from other forms of Capital, such as financial or human Capital. Social Capital is cumulative and increases naturally (Putnam, 1993). Therefore, social Capital is not depleted by use; it can actually increase. The deterioration of social Capital is more often caused not by use but by disuse. According to Coleman (1988), social Capital also refers to a person's ability to associate with others. Meanwhile, Fukuyama (1995) stated that by relying on shared norms and values, associations between people will generate trust, ultimately having significant and measurable economic value.

Edward L. Bernays (1980) stated that the strategic role of Public Relations is key to CSR. As defined by the World Business Council for Sustainable Development (WBCSD) in Wibisono (2011), CSR is a commitment by businesses to operate legally and ethically, contributing to economic growth, while simultaneously improving the quality of life for employees and their families, and contributing to the local community and society at large. Therefore, through public relations, companies must prioritize profit, attend to and be involved in fulfilling the well-being of the community (People), and actively contribute to preserving the environment (Planet).

The Resource-Based View (RBV) theory provides a relevant perspective in explaining the sustainability and performance of waste banks. According to RBV, organizational performance is influenced by the ability to utilize valuable, rare, inimitable, and non-substitutable resources (Barney, 1991). In the context of waste banks, resources such as government support, CSR assistance, social Capital, financial Literacy, and social entrepreneurship orientation can be considered strategic assets that enhance organizational performance and competitive advantage. Social Capital strengthens collaboration and trust within the community, while Financial Literacy improves managerial and financial decision-making capabilities. Furthermore, social entrepreneurship orientation encourages innovation, proactiveness, and social value creation, enabling waste banks to achieve both environmental and economic sustainability. Therefore, RBV theory helps explain how internal and external resources contribute to improving the effectiveness and long-term performance of waste banks.

According to Diva (2009), the role of government in the development of effective and optimal

SMEs, which in this study is realized as: (1) facilitator in entrepreneurship training, (2) mediator in empowerment and capitalization of the Waste Bank community, and (3) regulator in policies that facilitate the development of business creativity and investment. According to Hasan Djauhari, Expert Staff of the Minister of Cooperatives and SMEs in the field of Macroeconomics, the role of government in developing the waste bank business needs to be optimized and formal institutions created in the form of cooperatives, which are expected to be able to accommodate waste banks as business entities to increase community income. Based on the conceptual framework and previous research discussed, the following hypotheses are formulated in this study:

H1: *The role of government has a positive and significant effect on social entrepreneurship orientation.*

H2: *CSR has a positive and significant effect on social entrepreneurship orientation.*

H3: *Social Capital has a positive and significant effect on social entrepreneurship orientation.*

H4: *Financial Literacy has a positive and significant effect on social entrepreneurship orientation.*

H5: *Government role has a positive and significant effect on waste bank performance.*

H6: *CSR has a positive and significant effect on waste bank performance.*

H7: *Social Capital has a positive and significant effect on waste bank performance.*

H8: *Financial Literacy has a positive and significant effect on waste bank performance.*

H9: *Social entrepreneurship orientation has a positive effect on waste bank performance.*

METHOD

This research is quantitative, meaning the method used to examine a specific population or sample. This sampling technique is random, and the data analysis is quantitative. The goal is to test the established hypotheses using primary data (Sugiyono, 2017). In-depth interviews with the sample are also used to obtain optimal results. Data are collected through questionnaires and in-depth interviews. A population is the total number of objects or their characteristics being studied (Sugiyono, 2017). The population in this study was all Waste Bank owners throughout the Special Region of Yogyakarta. This study used purposive sampling, with the criteria being active Waste Banks. The data used in this study are primary data collected via questionnaires that have been tested for validity and reliability. The research indicators are developed from the operational definitions of each variable. The analysis tool used SEM PLS (Simple Modeling Language), followed by data processing using SMART PLS, interpreting the data processing results, and drawing conclusions.

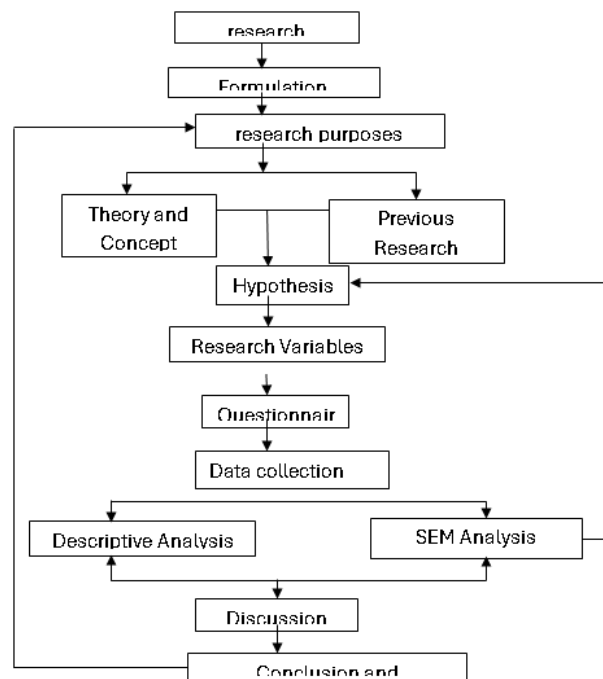


Figure 1. Conceptual Framework Diagram

RESULT AND DISCUSSION

Instrument Test

Validity Test

Instrument validity was evaluated based on the convergent and discriminant validity of its indicators, calculated using Partial Least Squares (PLS). Convergent validity parameters include two factors: questionnaire item loadings (>0.7) and Average Variance Extracted (AVE) values (>0.5). According to Chin, convergent validity is considered high when loadings exceed 0.7 (Ghozali, 2006).

Table 2. Factor Loading Value Validity Table

Item	Loading Value	criteria	explanation
X ₁₁	0.921	0.700	Valid
X ₁₂	0.911	0.700	Valid
X ₁₃	0.878	0.700	Valid
X ₂₁	0.906	0.700	Valid
X ₂₂	0.892	0.700	Valid
X ₂₃	0.873	0.700	Valid
X ₃₁	0.839	0.700	Valid
X ₃₂	0.913	0.700	Valid
X ₃₃	0.902	0.700	Valid
X ₄₁	0.913	0.700	Valid
X ₄₂	0.904	0.700	Valid
Y ₄₃	0.886	0.700	Valid
Y ₄₄	0.872	0.700	Valid
Y ₁₁	0.882	0.700	Valid
Y ₁₂	0.915	0.700	Valid
Y ₁₃	0.938	0.700	Valid
Y ₁₄	0.929	0.700	Valid
Y ₂₁	0.913	0.700	Valid
Y ₂₂	0.932	0.700	Valid
Y ₂₃	0.912	0.700	Valid
Y ₂₄	0.935	0.700	Valid

Source: Processed Data Analysis

The validity test for the job satisfaction instrument in Table 2 shows that all items have an Average Variance Extracted value (>0.5); thus, the instrument is deemed valid.

Table 3. AVE Value Validity Table

	AVE	criteria	explanation
Role Of Government (X ₁)	0.813	0.500	Valid
CSR (X ₂)	0.789	0.500	Valid
Social Capital (X ₃)	0.796	0.500	Valid
Financial Literacy (X ₄)	0.861	0.500	Valid
Social Entrepreneurship Orientation (Y ₁)	0.799	0.500	Valid
Waste Bank Performance (Y ₂)	0.774	0.500	Valid

Source: Processed Data Analysis

From Table 3, it can be seen that all AVE values (Average Variance Extracted (AVE)) are more than 0.500, which means that all variables are declared valid.

Reliability Test

To test the instrument's reliability, Cronbach's Alpha was used (Suharsimi Arikunto, 2002). The Cronbach alpha coefficient was 0.6.

Table 4. Instrument Reliability Test Results

	Cronbach's Alpha	Criteria	Composite Reliability	Criteria	exp
Role Of Government (X ₁)	0.942	$\geq 0,600$	0.956	$\geq 0,700$	Reliable
CSR (X ₂)	0.933	$\geq 0,600$	0.949	$\geq 0,700$	Reliable

Social Capital (X ₃)	0.936	≥ 0,600	0.951	≥ 0,700	Reliable
Financial Literacy (X ₄)	0.946	≥ 0,600	0.961	≥ 0,700	Reliable
Social Entrepreneurship Orientation (Y ₁)	0.937	≥ 0,600	0.952	≥ 0,700	Reliable
Waste Bank Performance (Y ₂)	0.951	≥ 0,600	0.960	≥ 0,700	Reliable

Source: Processed Data Analysis

The results of the reliability test in Table 4 show that each variable's Cronbach's Alpha reliability coefficient is greater than 0.60, indicating reliability.

Table 5. Partial Least Squares (PLS) Analysis Table
Coefficient of Determination

	R Square	explanation
Social Entrepreneurship Orientation (Y ₁)	0.832	convenient
Waste Bank Performance (Y ₂)	0.895	convenient

Source: Processed Data Analysis

Path Analysis Test

The results of the path analysis using the Partial Least Squares (PLS) technique are shown in Tables 6 and 7.

Table 6. Partial Least Squares (PLS) Analysis Table of the Influence Between Variables

	Original Sample	Standard Deviation	T Statistik	P Values	Significant
Government Role -> Social Entr. Orientation	0.195	0.087	2.234	0.026	Significant
CSR -> Social Entr. Orientation	0.238	0.101	2.347	0.019	Significant
Social Capital -> Social Entr. Orientation	0.186	0.137	1.361	0.174	Not Significant
Financial Literacy -> Social Entr. Orientation	0.366	0.133	2.757	0.006	Significant
Government Role -> Waste Bank Performance	0.157	0.065	2.405	0.017	Significant
CSR -> Waste Bank Performance	0.141	0.079	1.775	0.076	Significant
Social Capital -> Waste Bank Performance	0.236	0.091	2.597	0.010	Significant
Financial Literacy -> Waste Bank Performance	0.235	0.118	1.996	0.049	Significant
Social Entr. Orientation -> Waste Bank Performance	0.498	0.098	5.062	0.000	Significant

Table 6 concludes that only the hypothesis that social Capital has a positive effect on social entrepreneurial orientation is rejected because it shows insignificant and positive results. The other hypotheses are accepted.

Table 7. Table Analysis *Partial Least Squares (PLS)*

	Original Sample	Standard Deviation	T Statistik	P Values	Significant
Government Role -> Social Entr. Orientation -> Waste Bank Performance	0.107	0.052	2.071	0.047	Significant
CSR -> Social Entr. Orientation -> Waste Bank Performance	0.119	0.051	2.308	0.021	Significant
Social Capital -> Social Entr. Orientation -> Waste Bank Performance	0.110	0.052	2.093	0.048	Significant
Financial Literacy -> Social Entr. Orientation -> Waste Bank Performance	0.182	0.063	2.916	0.004	Significant

Source: Processed Data Analysis

Discussion

The Role of Government has a positive effect on Social Entrepreneurship Orientation.

The results show that the government positively and significantly influences social entrepreneurship orientation. Government support through regulations, training programs, facilitation, and financial assistance encourages waste bank managers to become more innovative and proactive in developing socially based environmental businesses. This finding is consistent with Obaji and Olugu (2014), who stated that government support plays an important role in strengthening entrepreneurial orientation. The government's role in supporting the social entrepreneurship orientation and performance of waste banks in the Special Region of Yogyakarta (DIY) is crucial to ensuring the program's sustainability and success. Key roles that can be identified include: 1) Regulation and Policy. The DIY government can establish regulations that support the establishment and development of waste banks, for example, by developing community-based waste management policies and providing fiscal incentives or subsidies for social enterprises focused on waste management. 2) Financial Support by providing funding assistance, either through grants or soft loans, to support the operation and expansion of waste banks; and encouraging partnerships with donor agencies or the private sector to fund social entrepreneurship innovations. 3) Capacity Building: The government can organize training or educational programs to improve the managerial skills of waste bank managers and introduce more efficient waste management technologies.

Corporate Social Responsibility has a positive effect on Social Entrepreneurship Orientation.

Corporate Social Responsibility significantly shapes the orientation toward social entrepreneurship, as companies' financial support, training, and environmental programs motivate waste banks to innovate and create social value. This result supports the study by Wibisono (2011), which emphasized that CSR contributes to sustainable community empowerment and business development. The role of Corporate Social Responsibility (CSR) in supporting the social entrepreneurship orientation and performance of waste banks in the Special Region of Yogyakarta (DIY) is significant. CSR from companies in the Special Region of Yogyakarta can be a catalyst for the development of social entrepreneurship and increase the effectiveness of waste banks. The main roles of CSR in this context are: 1) Funding and Financial Support through CSR programs can provide funds for waste banks to purchase equipment, such as plastic shredding machines or waste collection vehicles. Furthermore, CSR can help cover initial operational costs, enabling waste banks to operate more independently. It can also provide grants for waste management-based social innovation programs, such as the development of recycled products. 2) Capacity Development and Training through CSR can provide training in entrepreneurship management, marketing, and recycled product innovation to increase the capacity of waste bank managers and enhance technological expertise (supporting technology transfer in waste management, such as efficient recycling technologies or waste-to-energy processing).

Social Capital does not significantly influence Social Entrepreneurship Orientation.

The findings indicate that social Capital does not significantly influence social entrepreneurship orientation. This may occur because trust, networking, and community participation among waste bank stakeholders remain weak and underutilized. This result is inconsistent with Humaira (2011) and Tsai (2008), who found that social Capital positively affects entrepreneurial activities and environmental management performance. Weak or inadequate social Capital often poses a challenge to the development of social entrepreneurship in the Special Region of Yogyakarta. Social Capital encompasses social relationships, trust, norms, and networks that enable individuals or groups to work together to achieve common goals. Factors contributing to inadequate social Capital include: 1) Low trust between the community, social entrepreneurship managers, and government or private parties, as well as uncertainty about commitments between stakeholders, which can hinder collaboration. 2) Weak Networks: Waste banks or social enterprises often operate locally without extensive networks with markets, supporting institutions, or strategic partners. 3) Low Community Participation: Not all communities see the importance of involvement. 4) Lack of visionary local leadership in utilizing waste as a business opportunity.

Financial Literacy has a positive effect on Social Entrepreneurship Orientation.

Financial Literacy has a significant positive effect on social entrepreneurship orientation. Better financial knowledge enables waste bank managers to make effective financial decisions, improve business planning, and support innovation development. This finding aligns with previous studies that emphasize that financial Literacy strengthens entrepreneurial capability and organizational sustainability. Financial Literacy influences the orientation of social entrepreneurship and the performance of waste banks in the Special Region of Yogyakarta. Some activities include: 1. "Smart Financial for Waste Bank" Training Program. This training is designed to provide a basic understanding of financial management and business strategy for waste bank managers. The material covers cash flow recording, debt/receivables management, and the creation of simple financial reports. Organizers: The Yogyakarta Special Region government, in collaboration with financial institutions (banks or cooperatives) and corporate CSR organizations. 2. "Waste-to-Wealth Funding" CSR Program. This CSR program provides funding for waste banks based on measurable and innovative business proposals. Grants are awarded to waste banks that develop recycling business plans or innovative waste-based products. Local or multinational companies with a focus on environmental sustainability, such as Danone Aqua or Unilever, are also involved. A social entrepreneurial orientation has a significant impact on the performance of waste banks, particularly by emphasizing innovation, social empowerment, environmental sustainability, and a balance between social impact and economic profit. In the context of waste banks, a social entrepreneurial orientation provides a framework that enables them to make tangible contributions to society and the environment while maintaining business sustainability.

The Role of Government has a positive effect on Waste Bank Performance

Government support significantly improves waste bank performance through policy support, operational assistance, and training programs. The government's involvement helps waste banks operate more effectively and sustainably. This finding supports previous studies highlighting the importance of government intervention in community-based waste management.

CSR has a positive effect on Waste Bank Performance

CSR positively affects waste bank performance by enabling companies to provide funding, equipment, and empowerment programs that support operational activities and innovation. This result is consistent with previous research indicating that CSR contributes to organizational sustainability and improved community welfare.

Social Capital has a positive effect on Waste Bank Performance

Social Capital significantly influences waste bank performance by strengthening collaboration, trust, and social networks, thereby enhancing community participation and organizational effectiveness. This finding supports Coleman (1988) and Fukuyama (1995), who explained that social Capital creates collective value and improves organizational performance.

Financial Literacy has a positive effect on Waste Bank Performance

Financial Literacy significantly improves waste bank performance, as managers with strong financial understanding can manage cash flow, budgeting, and financial reporting more effectively. This finding is consistent with previous studies showing that financial capability contributes to better business performance.

Social Entrepreneurship Orientation has a positive effect on Waste Bank Performance

A social entrepreneurship orientation significantly affects waste bank performance, as innovation, proactiveness, and social responsibility encourage sustainable environmental and economic activities. This finding is consistent with Kraus et al. (2017) and Makhoulfi et al. (2021), who found that entrepreneurial orientation enhances organizational and environmental performance.

CONSLUSION

This study concludes that the roles of government, Corporate Social Responsibility (CSR), financial Literacy, and social entrepreneurship orientation significantly influence the performance of waste

banks in the Special Region of Yogyakarta (DIY). In contrast, social Capital does not significantly affect social entrepreneurship orientation but does positively contribute to waste bank performance. The findings indicate that strong government support through policies, training, and financial assistance, along with CSR programs focusing on empowerment and innovation, can strengthen social entrepreneurship orientation and improve organizational sustainability. In addition, financial Literacy plays an important role in enhancing managerial capability, decision-making, and financial management effectiveness within waste banks. The significant influence of social entrepreneurship orientation on waste bank performance also demonstrates the importance of innovation, proactiveness, and social responsibility in achieving environmental and economic sustainability. Therefore, the practical implication of this study is the need for stronger collaboration among government institutions, private companies, financial institutions, and communities to develop sustainable waste bank ecosystems through supportive policies, capacity-building programs, financial education, and long-term partnership strategies.

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