

## REVEALING THE EFFECTIVENESS OF THE PARTNERSHIP AND COMMUNITY DEVELOPMENT PROGRAM AS A CORPORATE SOCIAL RESPONSIBILITY STRATEGY OF PT. PELINDO IV MAKASSAR

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### ABSTRACT

This study aims to describe and explain epistemologically the partnership and community development program as a corporate social responsibility strategy of PT. Pelindo IV Makassar. From an epistemological perspective.

The data in this study were obtained by conducting interviews in person and by telephone in-depth, checking documents and with various other literature. Informants in this study were several parties PT. Pelindo IV and the community directly impact the company's activities, namely the Bulloa and Tallo villages.

This study explains that in carrying out CSR programs through partnership and community development programs run by PT. Pelindo IV is still not running as it should. This is evidenced by looking at data with facts that occur in the field by researchers regarding partnership programs that are still not well-targeted and evenly distributed to the community.

**Keywords:** Corporate Social Responsibility, Effectiveness of Partnership and Community Development Programs, Community

### INTRODUCTION

Corporate Social Responsibility (CSR) According to the World Business Council for Sustainable Development, CSR is a continuing commitment by the business world to act ethically and contribute to economic development and the local community or society at large, along with improving the standard of living of their work and their entire family. Kotler 2005).

Research conducted by Davis et al. (2017), Kriyantono (2015) reveals that Corporate Social Responsibility emerges as an answer to the increasing public demand for responsible, ethical, transparent public and private sectors and states that the Indonesian state is the first in the world to adopt a mandatory CSR approach. This is also expressed by Kuldeep Singh, Madhvendra Misra (2021) regarding the relationship between corporate social responsibility (CSR) and organizational performance from the perspective of European multinational companies. The results show that CSR, when carried out on external stakeholders, affects organizational performance. Moreover, this influence has been found to vary between established and reputable firms.

According to Andriyanto's research (2017), Putri Anriza & Lawas (2018), said that the CSR program carried out by Pelindo III has been running by 3 billion CSR activities, this can be seen by the work program carried out every year and accompanied by a report on the position of the CSR program's financial activities, namely partnerships and community development. In general, CSR activities in SOEs are mandatory as a form of corporate responsibility towards the surrounding environment based on Government Regulation (PP) No. 47 of 2012. In its implementation, CSR at the Pelindo IV Makassar SOE is realized through a partnership and environmental development program known as PKBL.

Seeing backward developments in the early days of its management, PT. Pelabuhan Indonesia IV (Persero) has developed quite a message and can adapt to the development of an increasingly advanced environment, and this can be seen from several awards from PT. Pelindo IV has won the Top Corporate Social Responsibility (CSR) 2018 award, and the Top Business BUMN engaged in services and managed to get two awards at once, thus successfully maintaining its commitment to carrying out CSR programs. In this study, researchers reveal the effectiveness of the partnership and community development program that PT has carried out. Pelindo IV as a CSR strategy.

## **LITERATURE REVIEW**

### **Epistemology**

According to Conny Semiawan et al. (2005:157), epistemology is a branch of philosophy that explains philosophical problems around the theory of knowledge. Epistemology emphasizes the nature of the steps, the relevant means of obtaining knowledge, and seeks to answer what can be known from the object of study. This view has implications for the right way to obtain the truth. Moreover, it is related to the tools used to achieve the true nature of the object of study.

### **Corporate Strategy**

Definition of Strategy that the way to achieve long-term goals David (2010), the strategy-making process consists of three stages: strategy formulation, strategy implementation, and strategy assessment

### **Company Performance Rating Program (PROPER)**

PROPER is a Company Performance Rating Program in Environmental Management developed by the Ministry of Environment (KLH) in 1995 to encourage companies to improve their environmental management. The proper assessment will get an image or reputation according to how it manages its environment. The image is rated in gold, green, blue, red, and black colours. According to PROPER, the Company's Performance Rating Program in Environmental Management has been developed by the Ministry of Environment (KLH) since 1995 to encourage companies to improve their environmental management. The proper assessment will get an image or reputation according to how it manages its environment. The image is rated in gold, green, blue, red, and black colours.

### **Corporate Social Responsibility**

According to ISO 26000 in Cheng and Cristiawan (2011), Corporate Social Responsibility is the responsibility of an organization for the impacts of its decisions and activities on society and the environment, manifested in the form of transparent and ethical behaviour that is in line with sustainable development and welfare. Public; taking into account stakeholder expectations, in line with established laws and international norms of behaviour, and integrated with the organization as a whole.

### **Benefits of implementing Corporate Social Responsibility**

The increasing awareness of companies towards the implementation of CSR indeed cannot be separated from the benefits they get from CSR implementation. According to Business Social Responsibility (BSR), the following are the benefits that can be obtained by companies with corporate social responsibility (CSR): (1) Reduced Operating Cost (Reducing operational costs), (2) Reduced Operating Cost (Reducing operating costs), (3) Enhanced Brand Image and Reputation (Improve product image and reputation), (4) Enhanced Brand Image and Reputation (Increase product image and reputation), (5) Increased Productivity and Quality (Increase productivity and quality), (6) Increased Ability to Attract and Retain Employees (Increase the ability to hire and pay employees), (7) Increased Ability to Attract and Retain Employees (Increase the ability to hire and hire employees), (8) Access to Capital (how to get capital).

### **Types and Principles of Corporate Social Responsibility**

There are five pillars of CSR activities from the Prince of Wales International Business Forum According to Wibisono (2007), namely: (1) Building Human Capital Internally; companies are required to create reliable human resources, (2) Strengthening Economies Companies are required not to become wealthy on their

while communities in poor communities, they must empower the surrounding economy, (3) Assessing Social Cohesion Companies are required to maintain harmony with the surrounding community so as not to cause conflict, (4) Encouraging Good Governance In running its business, companies must carry out good business governance, (5) Protecting the Environment The company strives to preserve the environment.

### **Partnerships and Community Development Program**

The Partnership Program is part of the PKBL (Partnership and Community Development Program). PKBL is a government awareness program through BUMN as the company's responsibility for the company's social, economic, and environmental conditions to create a prosperous and independent society. Partnership Program is a program that requires BUMN to provide business loans and guidance to Micro, Small and Medium Enterprises (MSMEs) and BUMN Partnership Program with small businesses and environmental development programs after this referred to as environmental development programs, starting now referred to as environmental development programs in regulations State Minister for SOEs Number Per 05/MBU/2007 is a program for empowering the social condition of the community by SOEs through the use of funds from the profits of SOEs.

### **RESEARCH METHODS**

This research uses qualitative research with the case study method. According to Creswell (2003), a qualitative approach is an approach to constructing knowledge statements based on a constructive perspective (for example, meanings derived from individual experiences, social and historical values, to build a particular theory or pattern of knowledge) or based on participatory perspective

This research is research that goes directly to the field (field research). In this study, the data obtained is the result of direct observation at the Soekarno-Hatta Port of Pelindo IV Makassar and the community around the Port who received CSR funding assistance through partnership and community development programs. The data used later is primary and secondary.

This study uses an interpretive paradigm approach that views social reality as something complete, complex, dynamic, full of meaning, and interactive (reciprocal) symptom relationships, according to Alston and Bowles (1998: 7-9). Thus, qualitative research is more about understanding how life experiences others, interpreting meanings and social phenomena, exploring concepts and developing new theories.

Research data based on the source is generally divided into primary data and secondary data. Primary data is data obtained by a researcher directly from the object. While secondary data is data obtained by a researcher indirectly from the object

### **RESULTS AND DISCUSSION**

The results of this study provide an overview of the CSR program as a strategy of PT. Pelindo IV through partnership & community development programs. From several informants, by looking at epistemology, they seek the truth by looking at the reality that occurs in the field through analysis of data sourced from interviews, researcher field notes, and relevant documents. In Revealing the Effectiveness of Corporate Social Responsibility as a strategy of PT. Pelindo IV Makassar. With the five pillars of CSR PT. Pelindo IV include:

#### **Building Human Capital**

Building Human Capital states that companies are required to prepare reliable human resources (internally) and are required to empower the community (externally). Based on the data obtained in the field, it can be concluded that the Community Development Program implemented by PT. Pelindo IV has been implemented, but it is still not evenly distributed and not all assistance has been given on target. There is a lack of understanding regarding CSR to the community, especially in this Bulloa village, while the community's assistance is only in environmental development, namely in the form of water machines, necessities, sacrificial meat, and capital for groups. Fisherman. As for the tall village, it is only a sanitizer, a trash can, the situation in the area conditions this, the assistance is given to the Tallo village is not the same as the Bulloa village, this is under company policy in terms of CSR activities carried out by PT. Pelindo IV,

where assistance was given to the environment around the company, directly impacting the company's activities, while the Tallo village did not directly impact the company PT. Pelindo IV.

### **Strengthening Economies**

Strengthening Economies is a CSR implementation activity that requires people not to become wealthy on their own while the community in their environment is poor; they must empower the surrounding economy. Based on the data obtained in the field, it can be interpreted that PT implemented the Partnership Program. Pelindo IV has been going well, but the researchers directly saw the findings in the field, especially in the bulloa village; for the fishermen group, the provision of capital loans has not been well-targeted and has not been well-targeted well-targeted been evenly distributed. This can be seen from the results of direct interviews by representatives of Bulloa fishing groups. It should be known that the partnership program is in the form of lending assistance to MSMEs around companies that have a direct impact. As Strengthening Economies, companies are demanded not to be rich on their own while the community is poor, this is not following what is seen in the field; this is evidenced by looking directly at the location how the atmosphere and conditions, especially in coastal communities are bullied, environmental conditions are far from slums and the number of unemployed which results in children. Young people who become naughty and there are cases of theft etc. Moreover, there is still a lack of training and education to empower the surrounding community for entrepreneurship.

### **Assessing Social Cohesion**

Assessing Social Cohesion is a CSR activity that requires companies to maintain harmony with the surrounding community not to cause conflict. Based on the data obtained in the field, it can be seen that the community and the company have mutually beneficial interests for both parties. On the one hand, the company provides needs to the community by looking at the economic and social aspects. Meanwhile, on the other hand, a company will obtain an excellent corporate image.

It was implementing the PKBL program in Bulloa and Ballo sub-districts, PT. Pelindo IV will get a positive corporate image from the community, while the Bulloa village is located near the coast next to the PT. Pelindo IV AirPort port will receive assistance in the form of a water machine, for the needs of the people in Bulloa, especially regarding the difficulty of clean water; thank God the residents can enjoy clean water with residents paying two thousand rupiahs for ten Jergens of one cart. As for the partnership assistance in 2020 PT. Pelindo IV assisting MSMEs is focused only on company cooperatives; for communities that directly impact the company in 2020, there is no capital provision, this is due to COVID-19, while for assistance to the Tallo village in the form of Hantinidzer, trash cans. So it can be concluded that the implementation of PT. Pelindo IV's CSR, which was carried out in the bulloa, tallo village had been carried out, but the implementation was not evenly distributed.

### **Encouraging Good Governance**

Implementing sound corporate governance is a strategic determinant for companies to continuously increase value and maintain a sustainable growth process. Therefore, every company needs to continue to improve its hard work to benefit from the implementation of good corporate governance. Based on the results of the data obtained from the company, Good Governance PT. Pelindo IV has been running according to and following the Prince of Wales International. This is evidenced by the Directors' Order, No: 19/KP. 403/1/DUT-2021 dated January 29, 2021, regarding the 2020 GCG Implementation Counterpart Team within PT Pelabuhan Indonesia IV (Persero) accompanied by an Independent Consultant, JSM Management Consultant, we have carried out a Self-Assessment on the Implementation of GCG for 2018 at PT Pelabuhan Indonesia IV (Persero) using the Assessment System per the Decree of the Secretary of the Ministry of BUMN Number: SK – 16/S. MBU/ 2012, dated June 6, 2012 concerning Indicators/ Parameters for Assessment and Evaluation of the Implementation of Good Corporate Governance (Good Corporate Governance). Corporate Governance) in BUMN.

## Protecting the Environment

Preserving the environment is not only the company's responsibility but the community is also obliged to maintain environmental cleanliness in the environment around the company PT. Pelindo IV, in terms of preserving the environment around the company, especially those that have a direct impact on the company. Based on the data obtained and looking directly into the field, that PT. Pelindo IV, has not maintained environmental sustainability evenly; this is evidenced by looking directly at the environment around the company, which is still far from feasible, especially on the coast of the Bulloa village which is directly adjacent to the Port of AirPort PT. Pelindo IV, whose environment has much garbage around the village and land from PT. Pelindo IV, which closed the access of fishers on the coast of Bulloa, was blocked, making people's livelihoods difficult. Communities around the coast of Bulloa also want to be paid attention directly, although not in terms of financial assistance, at least they are also given a solution for their livelihoods, precisely in the coastal area of the bulloa fishing boat base, which is blocked by the Pelindo company building, where fishers have to go all the way to the Port of potere to get to the beach. take fish this is due to the construction of pelindo which closed their access road. At least there is a solution for coastal bulloa fishers given a little faster way to potere, fishers are also difficult with solar fuel which they usually are more efficient. Currently, it is quite heavy, this is because their boats turn far to their destination to potere to sell fish.

### Company and Community Views on the Implementation of Corporate Social Responsibility (CSR)

TOPICS	COMPANY VIEW	COMMUNITY VIEW
Definition of CSR	CSR carried out by Pelindo is a company obligation, which helps the surrounding community that has an impact on the company	The CSR program that the public knows about is Community Development, where this program is aimed at the community that have a direct impact on the company
csr benefits	The benefits of the CSR program run by PT. Pelindo IV, actually help the community as a result of the company's operations voluntarily in the sense that the company does not seek profit at all from the CSR program, that's all as Pelindo is bound by government regulations that must be implemented to future sustainability of the company	The benefits of CSR, which the community knows as Community Development, which is felt by the community have helped in problems that occur in the environment around the company that have an impact
CSR strategy	The company's view regarding the CSR program run by PT. Pelindo IV, namely through the Community Development and Partnership Program where companies carry out CSR other than as obligations that are already bound by the rules, with the implementation of the CSR program, can help companies for sustainability in the future, in terms of investor and community trust	In terms of the CSR program that is run by the company as a company strategy that the community knows as Community Development, it is a program which is to help the company to continue to grow in the future, so basically, the CSR strategy is carried out by the company PT. Pelindo IV, only follows government regulations and also only as a company obligation. On the other hand, to boost the company's reputation in the eyes of investors and the government as well as the sustainability of the company in the future.
Form of help	The assistance from the company can be said, voluntarily and more precisely only to help the community around the company that has an impact	Dalam hal bantuan yang diberikan PT. Pelindo IV, sudah berjalan akan tetapi bantuan diberikan belum semuanya terpenuhi dan merata
Efektivitas CSR Pelindo	Programs run by PT. Pelindo IV through the Community Development and Partnership Program is very helpful for the community, it has run well by the provisions that have been regulated in government regulations as it should.	Regarding the effectiveness of the CSR program provided by Pelindo to the community, it can be said that it has not been fully implemented, it requires a direct evaluation from the company and asking representatives from the community to find out the conditions that occur in the affected environment.

Source: Company and Community Interview Results

## CONCLUSIONS AND SUGGESTIONS

As a state-owned company, Pelindo IV has a big responsibility in carrying out social and environmental responsibilities. Pelindo IV's social roles and responsibilities are carried out through the Partnership Program, better known as PKBL (Partnership and Community Development Program), as regulated in Permen-05/MBU/2007 concerning the Partnership State-Owned Enterprises with Small Businesses and the Community Development Program. , in carrying out the CSR program of PT. Pelindo IV, through the

partnership and community development programs that have been implemented, has been running effectively.

However, in the program provided by PT. Pelindo IV, for the community in the community development program, which is known to the community that it has not been distributed evenly, as well as the lack of communication between the company, the government, and the local community, this is what the researcher sees, seeing the facts on the ground that the partnership and community development program provided by the company in terms of assistance, community empowerment, essential food assistance, as well as slum environmental conditions, which are uneven, and the company's perspective says that the CSR program run by PT. Pelindo IV has been effective, this is what the company says by looking at the distribution of funds that have been disbursed and the CSR programs that have been carried out, but in fact, researchers see that the company PT. Pelindo IV, concluded that the program had been implemented only by looking at the existing data without seeing directly what is happening in the actual field.

The perspective of the community is related to the CSR program provided by PT. Pelindo iv, that the CSR assistance provided by the company in terms of partnership programs and environmental development the community has enjoyed and felt like the help of a water machine, which was given very much to help the coastal community of Bulloa where the local environment has difficulty with clean water, but on the other hand there is still some assistance given unevenly such as food assistance, slum environmental conditions, and community empowerment. So the understanding of the community is called effective when the funds arrive directly into the hands of the community, in the form of money or capital provided. In knowing the success of a CSR program run by the company, measurement is needed to determine how far a program can achieve the goals determined by looking at the effectiveness of the implemented programs.

The CSR program should be an obligation that must be carried out by the company PT. Pelindo IV, for the benefit of the surrounding community, but in reality what happened, CSR has not run as it should. Many CSRs are not well targeted, which ultimately results in conflict between the company and the community. The need for the company PT. Pelindo IV conducts an evaluation, this is an important aspect that must be a concern for PT. Pelindo IV, in the future, is carried out for the sustainability of the company, good relations between the company and the community, and the role of the company in national development. To evaluate PT. Pelindo IV must go directly to the field to see the community's condition around the company. It is necessary to understand and map the community, where the company needs to know well and care about the condition of the surrounding community. Thus, it is hoped that the company can decide on the right CSR program for empowerment. The community is the subject (and not the object) in CSR implementation, so the community must be heard and involved in various steps for implementing the company's CSR.

So it can be concluded by the researcher that the company needs attention to the community, not only thinking about the implementation of a program, but the company must be directly involved, seeing that the CSR fund assistance provided has reached the hands of the community. In the future, the company should not only think that the assistance provided has been practical with only look at the data without paying attention to the actual conditions that occur in the field, as well as the need for community empowerment in the bulloa coast, in terms of the assistance provided is not just material in the form of money given but non-material such as empowering the community to be independent such as providing job opportunities even though only a worker is employed at the company PT . Pelindo IV and the community asked for assistance in repairing the parking lot on the bulloa coast, which was no longer feasible, and providing motorboats or fishing boats. The last thing that the community needed was fishing tools to catch more fish. Society's expectations for the company to be considered. In this case, PT. Pelindo IV must pay attention and need effective communication from the company, government, and society in the future. An evaluation from the company regarding the CSR program is needed to run as it should.

## **IMPLICATIONS**

1. The findings in this study can make a theoretical contribution to scientific development in the field of environmental accounting and can be used as additional information and new findings in accounting studies, especially in the field of Partnership and Community Development Program studies and evaluation of the program implementation process, especially the Partnership and Community Development Program.

2. The results of this study can provide an overview for future researchers related to CSR programs run by state-owned companies, especially in the Partnership and Community Development program

### ADVICE FOR COMPANIES

As a researcher, only convey the hope of the community to Pelindo as a communication bridge from the community to the company in this case conducting CSR programs through environmental development, where the community asks the company to assist in the form of berre - berre where the tool is as a support in catching fish, the community said if the assistance in the form of berre - berre that is given is very useful for their livelihood, as well as boats, and a parking lot for the bulloa coastal boat, and also other hopes from all bulloa coastal residents to pelindo to be empowered to be given jobs to the community even if only as manual workers. So hopefully, in the future, the CSR program carried out by Pelindo in fostering a better environment, the company should provide edification to the community or counselling related to CSR programs by empowering the community to be independent, not just assisting. So in the future, the company, government, and society can run according to the future.

### LIMITATIONS

1. Informants in this study still do not understand CSR, a detailed explanation is needed and can be understood by the community regarding the CSR program run by PT. Pelindo IV, namely Partnership and Community Development, requires companies to provide actual socialization of the CSR program.
2. The explanation in this research is related to CSR, which PT runs. Pelindo IV, especially in the Partnership and Community Development program, is still lacking,
3. The current situation of COVID-19, which is a limitation of the study.

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