

OPTIMIZING COMMUNITY EMPOWERMENT PROGRAM GOVERNANCE: RE-DEFINING THE ESSENCE OF CORPORATE SOCIAL RESPONSIBILITY

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ABSTRACT

As a business entity, a company essentially not only aims to gain economic benefits for the sustainability of the company, but also has corporate social responsibility. Companies must also be present as a solution to all social problems and the welfare of society in general. This is the background to the promotion of the Corporate Social Responsibility (CSR) program to encourage various companies to actualize their role as one of the elements that is expected to be able to overcome social problems, one of which is related to building independence and community welfare. CSR programs are essentially potential programs, but companies face the challenge of implementing CSR authentically so that it truly has a social impact, and does not fall into the trap of CSR practices that are just an image. This conceptual research intends to provide an explanation regarding how community empowerment programs should be managed as one of the most effective CSR categories for realizing social welfare

Keywords:

Community Empowerment; Corporate Social Responsibility; Social Welfare; Governance

INTRODUCTION

Poverty is still a problem that is homework for a country. However, the state is not the only party that can overcome this problem, there are several other elements that can play a role in helping to overcome the problem of poverty and improve social welfare. One of several elements that can help overcome social problems is a company (corporation). As is known, companies are oriented towards economic profit (profit oriented), but behind that, companies also have social responsibilities related to their existence as an inseparable part of the social ecosystem. Stakeholder theory states that companies have responsibilities that are not only limited to internal companies, but also extend to the community, so that these parties completely include investors, directors, employees and the community (Freeman, 1984).

With the strategic role that the Company has in relation to Corporate Social Responsibility (CSR), companies have the opportunity to help overcome social problems more proactively. Company manifestations of social responsibility take various forms, starting from the construction of public facilities, direct short-term social assistance, capacity building to develop community capabilities, as well as community empowerment aimed at creating an independent and prosperous society (Arifin, 2023).

The four areas of the CSR category are all categories needed by society according to their context, but for the CSR category Community Empowerment is a representation of the essence of CSR itself. As a CSR field, Community Empowerment has its own meaning for society. CSR Agenda Community empowerment has long-term goals related to the provision of relevant and useful knowledge, skills and skills to enable people to be able to live independently on their own two feet in meeting all their needs and requirements, so that their lives run in a quality and efficient manner. prosperous in the long term. The adage "giving a hook is better than giving a fish" is quite relevant in this context even though in certain cases, direct assistance is still needed to be distributed to those in need, in the context of meeting the short-term needs of the community.

With such great potential for the role of corporate social responsibility, especially in the field of community empowerment, attention to and implementation of community empowerment programs in the field is very important. This is a challenge in itself, because the mindset of some companies still interprets CSR as a formality, and not as an important and strategic agenda which, if implemented in a structured and massive manner, will produce a positive social impact. Therefore, companies need to plan community empowerment programs in a more mature and measurable manner, which is also followed by good implementation, regular monitoring and evaluation, by involving local communities at every stage of the program management process, with the aim of achieving the goal of community empowerment. can be achieved well, on target and effectively.

In connection with the urgency of CSR community empowerment, this article aims to describe and explain several things that need to be done regarding the management of the CSR Community Empowerment program. The hope is that by studying the essence of CSR, especially Community Empowerment CSR, all companies can better understand and realize that CSR is not an optional agenda and mere formality, but is a mandatory agenda that must be created, created and implemented with full responsibility as part of from entities that are also capable and expected to be agents of social change.

Community Empowerment

According to Mardikanto and Soebianto, (in Hamid, 2018) Community empowerment can be interpreted as a process of enabling a group of weak/poor people in terms of ability to participate, opportunities to access needed resources, which is aimed at improving the quality of life of individuals, groups and communities in broad meaning.

From this explanation it can be concluded that Community Empowerment is an activity carried out consciously and planned with the aim of providing the necessary provisions for individuals, groups and communities so that they have the ability and empowerment to meet life's needs (especially basic ones), so that quality their lives are more improved than before.

Corporate Social Responsibility

From several definitions of Corporate Social Responsibility that have been developed by many experts, Kotler (in Primahendra, 2015) explains that corporate social responsibility is the good faith of a company to improve the welfare of society which is achieved through wise business practices by allocating the resources owned by the company. companies to be able to contribute to society.

Through the explanation given by Kotler, it opens up collective awareness that behind its role as a profit-oriented entity, companies also have an obligation to dedicate something that can provide benefits to society, especially those related to improving community welfare.

Social Welfare

According to Midgley et.al (in Salamah, 2012), Social Welfare is a condition where society is able to fulfill various basic needs which include nutrition, health, education, housing, income, as well as protection from various threats that are at risk of disrupting their lives.

From the understanding conveyed by Midgley, et al, we can understand that social prosperity is basically an ideal condition that anyone has the right to feel and obtain. However, in reality on the ground, this ideal condition is not always present in people's daily lives. With the various conditions that exist in various different places, including the availability and ownership of resources that vary between one person and another, making social welfare a very challenging issue.

METHOD

The article outlined here is conceptual research based on literature study using various literature such as journals, books, articles. This article also presents several case studies that explain several good practices and success stories from Community Empowerment CSR that have been able to provide real social impacts.

RESULT AND DISCUSSION

Below are presented several case studies that represent several good practices and success stories from the Community Empowerment CSR program:

CSR Community Empowerment in Nglanggeran Village

This CSR, which was initiated and carried out by Pertamina, focuses on community empowerment activities by carrying out a series of activities that are based on community needs to increase income as well as potential related to tourism. From the mapping carried out, Pertamina carries out CSR activities covering various categories, ranging from charity, community capacity building to community empowerment.

The various Community Empowerment CSR activities carried out include the construction of rain-fed reservoirs on hilltops with a volume of 8,000-10,000 m³ which function as natural agricultural irrigation, improvements to infrastructure and tourism support facilities, as well as various capacity building and economic empowerment training for farmer groups and communities. aware of local tourism (Pokdarwis). Apart from that, there is also an allocation of 2000 m² of land for each head of family which is used to grow gardens, with a total area of 30 hectares.

The various CSR program activities that have been carried out by Pertamina have ultimately produced results with an increase in welfare which has an impact on 4,200 village residents, where the average income per family ranges from IDR 1.5 million to IDR 11.5 million per month. Apart from that, from the allocation of land to each head of family, 4500 durian trees have been planted which can generate the highest income of up to IDR 140 million/year. CSR programs that have been carried out directly or indirectly have also had an impact on the emergence of various alternative income sources for the community, such as homestays, culinary delights, parking, ticketing, music concerts, study visits, and so on.

CSR Community Empowerment in Lerep Village

In general, the CSR program carried out in Lerep Village is almost the same, because the implementation of CSR Community Empowerment in Lerep Village is a replication of a similar program that has been successfully carried out in Nglanggeran Village. Like Nglanggeran Village, Lerep Village is a tourist village. On this basis, Pertamina then created a similar CSR program in Lerep Village.

Some of the CSR activities carried out in Lerep Village are maintenance of the mini geomembrane reservoir and durian cultivation equipped with natural irrigation which aims to empower local community groups.

Integrated Mushroom Development

Based on the results of mapping the potential and problems in Sukamulya Village, Karawang Regency, several findings were obtained relating to the great potential that Sukamulya Village has in the agricultural sector, making it very possible for the agribusiness sector to be developed. After identifying several potentials and problems in Sukamulya Village, Pertamina then launched a community empowerment program in Sukamulya Village in 2012.

Initial activities carried out in the community empowerment program in Sukamulya Village included group formation, infrastructure development, and increasing human resource knowledge. Some of the aims of forming the group are to facilitate the organization of training activities for mushroom farmers and other activities, as well as to become a learning forum for mushroom farmers when group members face problems to become more empowered.

After the group is formed, the next step is to provide some simple training regarding basic SME management, so that administrators and members have the necessary skills to manage the group that has been formed. Not only that, training is also provided regarding the cultivation of straw mushrooms, starting from preparing planting media, planting, making liquid organic fertilizer, and harvesting.

In essence, the community empowerment program carried out in Sukamulya Village received positive interest and enthusiasm from the residents of Sukamulya Village. They can feel the benefits provided by the community empowerment program, and the program has also met the right targets. The benefits of this community empowerment program can be seen from existing data where there has been an increase in production and income from the integrated straw mushroom group. In a comparison taken over a period of three years, namely in 2011-2013, after the community empowerment program began in 2012, there was an increase in production of 11% in 2012, this is higher than 2011 which only reached 6%. This increase in production also continued in 2013, reaching 15%. This increase in performance is also reflected in terms of income. During the same period, in 2012 there was an increase in income to Rp. 2,700,000/year, in the previous year, 2011, the income generated only reached Rp. 1,080,000/year. In 2013, income increased again to Rp. 3,870,000/year.

Integrated sheep farming

In general, what is carried out in this program is the fattening and breeding of sheep which is integrated with the processing of livestock manure and its derivative products. In this program Pertamina builds a partnership system with LPPM IPB, Village Government, agricultural/livestock extension workers and local veterinarians. This program was implemented in Wagirsari Hamlet, Pasirukem Village, Cilamaya Kulon District, Karawang Regency and Karang Cagak Hamlet, Cidahu Village, West Pagaden District, Subang Regency. This integrated program is implemented centrally in one location.

This program was held with several objectives: a) Increasing the welfare of the target beneficiary groups through sheep farming agribusiness; b) Opening business opportunities in the livestock sector; c) Realizing community independence, especially among those who are program beneficiaries; d) Strengthening the role of groups in sheep agribusiness; e) As

a pioneering independent sheep center program that has sheep businesses from upstream to downstream.

The target group for the integrated sheep farming program is families in the poor household category with several conditions that must be met: a) Have experience in raising sheep; b) Never received program assistance, either from the government or private sector; c) Has a high interest in sheep cultivation

The series of stages in implementing this program are: a) Selection of group members; b) Initial meeting with prospective group members and group formation; c) Construction of the cage in mutual cooperation by group members; d) Procurement of sheep; e) Handover of sheep pens and livestock; f) Training in sheep farming business; g) Implementation of sheep farming business maintenance

Types of innovation resulting from integrated sheep farming: a) Manure waste is made into liquid organic fertilizer/poc with an integrated processing system; b) Reducing sewage odor through market vegetable waste feed innovation; c) Reducing the amount of emissions through the use of straw as animal feed.

CSR Management

Basically, the CSR agenda is a corporate agenda that requires special attention and careful planning, so that the agenda implemented will truly become an agenda that can have a real social impact. For this reason, as a preliminary form of a series of good CSR governance, it is necessary to carry out a plan based on pillars that will make the program more focused in the future. The pillars of CSR program planning include: a) Social Assessment; b) Formulation of mission, values and vision; c) Preparation of strategic plans; d) Preparation of annual plans

CSR Program Management

The urgency of the CSR agenda, which is carried out with the aim of having a real social impact, will be successful if various efforts related to proper management have been taken. Management of a CSR program, in this case the Community Empowerment category, in its cycle includes 5 parts: a) Project feasibility assessment; b) Project Design; c) Work plan; d) Implementation; e) Monitoring and evaluation.

CONCLUSION

From the discussion relating to the CSR agenda in the Community Empowerment category which is supported by several case studies relating to good practices and success stories in implementing CSR in the community empowerment category, several things can be concluded as follows: a) CSR is a strategic instrument that relies on the private sector in an effort to overcome social problems; b) It is necessary to rebuild understanding and awareness regarding the true essence of CSR in order to implement CSR effectively; c) CSR programs must not only be in the form of short-term direct assistance (charity), but must also intensify programs in the category of community empowerment, because they are more long-term oriented; d) CSR is no longer an optional activity, but an obligation; e) The effectiveness of community empowerment programs is largely determined by the involvement of the communities targeted by the program itself; f) The main key to the success of the community empowerment program is the involvement of the community targeted by the program, at every stage of program management, from planning, implementation, to program monitoring and evaluation; g) The company's role in the community empowerment program is to facilitate the implementation of the program in

accordance with the road map that has been prepared together with the community that is the target of the program.

Based on the discussion about Corporate Social Responsibility (CSR) in the Community Empowerment category, an understanding was gained regarding the importance of the role of CSR programs in overcoming existing social problems. From this, companies need to open up their deepest awareness, that CSR is not just an agenda to show that the company has done good to social audiences, but more than that, CSR has a noble vision to overcome social problems, down to the root of the problem.

Thus, companies must view CSR as a sincere and authentic social service agenda, so that in the period before, during and after its implementation, steps are needed that are systematically arranged, collaborate with relevant parties and carry out appropriate measurements to find out more comprehensively, the extent to which the programs that have been implemented are able to improve welfare, reduce disparities and build community independence.

The CSR program, which is basically an obligation in the form of social service based on volunteerism by the Company, even though it does not produce commercial profits, in essence has a big impact on the company's reputation. With a reputation as a company that has high social awareness, which is represented through a CSR program that is carried out with high totality and success, this will make the Company's existence stronger in the business arena through the accumulation of networks, spirituality and social support resulting from seriousness in carrying out CSR programs in the Community Empowerment category.

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