Analysis of SATU Indonesia award activities, one of Astra's corporate social responsibility (CSR) programs as corporate communications media for society

Lely Fachrul I.W.[a], Dr. Ummi Salamah, M.Si[b]

[a]*Communication Management Studies, Universitas Indonesia, Jakarta, Indonesia 081335454165, lelyfachrul@gmail.com*

[b]*Communication Management Studies, Universitas Indonesia, Jakarta, Indonesia*

Abstract

Corporate social responsibility (CSR) program is a form of corporate social responsibility in reducing the impact of its business activities, which in its implementation is supported by CSR corporate communication strategy to run effectively. The aim of the research is to analyze the implementation of SATU Indonesia Award activities, one of Astra's corporate social responsibility (CSR) program and measure the reputation of Astra corporation for the society. This research uses qualitative research method with descriptive study, with secondary data analysis to the program. This research is evaluative to the input, process, and output of the program. This research produced an indication of success in the implementation of the SATU Indonesia Award program as one of Astra's CSR programs, which as a People's implementation in the triple bottom line as well as corporate communication media is characterized by the acquisition of a positive reputation for Astra corporation.

*Keyword*s: corporate social responsibility; implementation and corporate social responsibility; corporate reputation;;

1. Introduction

In today's global era with millennial generation collaboration as the driving force of the company, making an organization grows very quickly. Developments that occur in a company demands to continue to innovate for the better among other companies. Maintain the best performance of the company, by prioritizing organizational communication, both among employees, between management, and to the community, with activities that are interconnected. In accordance with the definition of the organization is as a collection of individuals are coordinated consciously, so it can also be expressed as a system consisting of various activities that are interconnected with communication. (Barnard, in Huseini, 2009: 5). Including good business activities, both internal and external companies, as a means of improving the performance of the company.

Although in the past two years, global economic conditions have not improved, and it has had an impact and pressure on various commodity prices in Indonesia. So that the various fields of companies in Indonesia, can carry out moral responsibility, contributing its existence to the surrounding community, in order to support the sustainability of the company. The corporate entity should begin mandatory socio-cultural adaptation to its environment. Starting from the concern for the environment, education, health and UMKM. It is also based on Article 33 Paragraph (4) of the 1945 Constitution which stipulates that "The national economy is organized based on economic democracy with the principles of togetherness, fair efficiency, sustainability, environmental insight, independence, and by maintaining the balance of progress and national economic unity."

Theoretically, corporate social responsibility (CSR) is the core of a business ethic, in which a company not only has economic and legal obligations to shareholders, but the company also has liabilities to other stakeholders. All that can not be separated from the fact that a company can not live, operate, and survive and gain benefits without the help of various parties. (Ernawan in Azheri, 2012: 5). CSR refers to all relationships between the company and its customers, employees, communities, investors, governments and suppliers as well as their own competitors.

Corporate social responsibility (CSR) strategy is an approach that synergizes with the company's overall strategy. This synergy is achieved when CSR also provides benefits for the survival of the company. CSR has a very important function in developing the social environment of the company so it is expected that the community can develop in accordance with the development of the company. This phenomenon is a major change agenda that can provide hope of fairness and provide opportunities to realize sustainable development (sustainable development). (Rachman, Efendi and Wicaksana, 2011: 16)

One of the companies in Indonesia implementing corporate social responsibility (CSR) program is PT Astra International Tbk. The company with seven lines of business has the belief that social activities are essentially aimed at building a business ecosystem, which systematically makes its members grow mutually to each other. The first point of the philosophy of Astra, Catur Dharma, which is Becoming a Beneficial for the Nation and the State, is the main reference and Astra develops corporate social responsibility (CSR) program in its company. For Astra, being a nation pride company means being able to produce the products and services of the nation's creations and dedicate them to the outside world, not just Indonesia. And this is Astra's sustainability vision. In addition, Astra also continues to spur improvements in efficiency and innovation in all areas in order to increase employee productivity and organization.

Astra's corporate social responsibility (CSR) is chosen as the object under study, due to the continuity of the corporate social responsibility (CSR) program that has been run for more than 40 years. Astra runs a comprehensive corporate social responsibility (CSR) activity through three channels: Astra International as a holding company, subsidiaries in six business lines supported by 198 companies and Nine foundations by 2015. Astra's responsibility activities focus on four Pillars, namely: Education, Environment, Income Generating Activities (IGA), and Health. The ideals of Astra "Prosperous Together Nations" (Sejahtera Bersama Bangsa) adopted by William Soeryadjaya, Astra founder, with thingking system if Astra can make this nation prosperous, the return, the nation will make Astra business grows.

SATU Indonesia Award is one of Astra's corporate social responsibility (CSR) programs that are different from other corporate CSR programs. With the program, Astra gives awards to the young generation who have works in providing benefits to the wider community throughout the country. The chosen young generation eventually became the driving force of community empowerment, together with Astra's values to always give the best for the nation. The awarding is expected to motivate the winners to continue to exploit their own ability to mobilize the local community where they live with positive activities. There are five areas that are competed in this program, namely: Education, Environment, Entrepreneurship, Health, and Technology. Presenting expert panelists with their respective fields can add challange to finalists who qualify. Since 2010 until now, the recipient of SATU Indonesia Awards has reached 39 people, who work in various fields throughout Indonesia, including Papua. For Astra, they are such a reliable partner to channel CSR funds for the growth of community competence.

A company's moral duty to provide added value to stakeholders, as one of the business ethics that is run to respect the environment and society for the establishment of a business process. Working together and supporting each other with the government is also needed in the implementation of CSR. If it is not executed, then no punishment will be accepted by the company. Vice versa, if the CSR program is run it will provide a good reputation of the company, both in terms of internal, community and all stakeholders in the company.

The purpose of this research are as follows:
1. Knowing the application of Astra CSR through SATU Indonesia Award program from Social (People)
2. Knowing the reputation that arises as the goal of Astra communication to the community through the SATU Indonesia Award program

2. Method

The research method used in conducting this research is qualitative by analyzing the secondary data on the program. Qualitative research involves the use of the subject studied and the collection of various empirical data, case studies, personal experiences, introspection, life journey, interviews, observational, historical, interactional, and visual texts that describe the daily and problematic moments and meanings in life Someone (Denzin & Lincoln, 2009: 2). Sugiyono (2005: 21) states that the descriptive method is a method used to describe or analyze a research result but not used to make wider conclusions. From that sense, all data is collected and linked to concepts and combined in a framework of thought. Qualitative research aims to explain a phenomenon as much detail as possible through the collection of data as deeply as possible. This research does not give priority to large population and sampling, which is more emphasized here is the problem of the depth (quality) not the amount (quantity) of data.

3. Result and discussion

3.1 Theoretical basis

3.1.1 CSR Relations with *Stakeholder*

Corporate social responsibility (CSR) is a form of corporate commitment to improve the welfare of the community, and is one of several corporate responsibilities to stakeholders (Stakeholders). Stakeholders are people or groups who can influence or be influenced by various decisions, policies, or operations of the company. Stakeholders are divided into two categories, namely:

- *Inside Stakeholder*

It consists of people who have interests and demands on the resources of the company and are within the organization of the company, such as: shareholders, managers, and employees. Influence on climate change work in an organization.

- *Outside Stakeholder*

Consist of non-party owners, leaders, or employees of the company, but has an interest in the company and is influenced by decisions and actions taken by the company, such as: customers, suppliers, government, communities around the company and the general public. Provide support to the organization in the effectiveness of achieving organizational goals.

3.1.2   Corporate Social Responsibility (CSR) Concept – John Eklington (1997)

John Eklington in The Triple Bottom Line (1997) published in Canibals with Forks, the Triple Bottom Line of Twentieth Century Business. This concept explains that if a company wants to grow sustainably, it is necessary to pay attention to 3P. Not only the pursuit of Profit, but also must contribute positively to the community (People) and participate actively in preserving the environment (Planet). This concept is a continuity of the concept of sustainable development that explicitly links the dimensions of objectives and responsibilities, both to shareholders and stakeholders.

Figure 1. *The Tripple Bottom Line Concept* **– John Eklington (1997)**
Source: **(Rachman, Efendi, dan Wicaksana, 2011:12)**

1. *Profit*

   Is the main orientation of the company, the form of corporate responsibility that is used as a philosophical foothold for the company's operations. Increased employee welfare, corporate owners, tax payments to the state, business expansion, and business sustainability that cost money. Until the achievement of profits from the results of business processes that run.

2. *People*

   It is the community environment where the company is located. Parties influenced and influenced the presence of an organization or company. Have a strong relationship in supporting the company to create value. In People this is social responsibility implemented as a concern of the organization.

3. *Planet*

   It is the physical environment of the organization of the organization in which the organization operates. Companies are concerned about the environment and sustainable biodiversity Some of the corporate social responsibility programs that are based on this principle are usually in the form of

greening the environment, provision of clean water facilities for settlement improvement and tourism development (ecotourism) and so on.

3.1.3   *Corporate Social Responsibility (CSR) Concept – Porter & Kramer (2006)*

Harvard Business School Professor Michael Porter claims that CSR (Corporate Social Responsibility) supporters argue that there are four reasons put forward by supporters of this CSR activity: moral obligation, sustainability, licence to operate, and reputation (Porter & Kramer, 2006).

- *Moral Obligation:* The Moral Obligation, related to something Professor Timothy Weiskel calls "the oughtness of things." Porter argues that this is "the company has an obligation to be a good citizen and 'do the right thing.'" (Porter & Kramer, 2006)
- *Sustainability:* Sustainability, "emphasizes environmental and community concerns." (Porter & Kramer, 2006)
- *Licence to operate*: License to Operate, "stems from the fact that every company needs tacit or explicit permission from government, community, and many other stakeholders to do business." (Porter & Kramer, 2006)
- *Reputation:* Reputation is used by many companies to justify CSR initiatives on the grounds that they will improve the company's image, strengthen the brand, enliven the spirit, and even increase the value of the stock. "(Porter & Kramer, 2006)

In its development in Indonesia, the regulations governing the implementation of corporate social responsibility (CSR) are contained in Law No. 40 of 2007 on Limited Liability Companies and Law No. 25 of 2007 on Capital Investment, Article 15 Letter b states, "Every investor is obliged to carry out the responsibility Social enterprise. Both laws stipulate that each company or investor is required to carry out an effort to implement corporate responsibility (CSR).
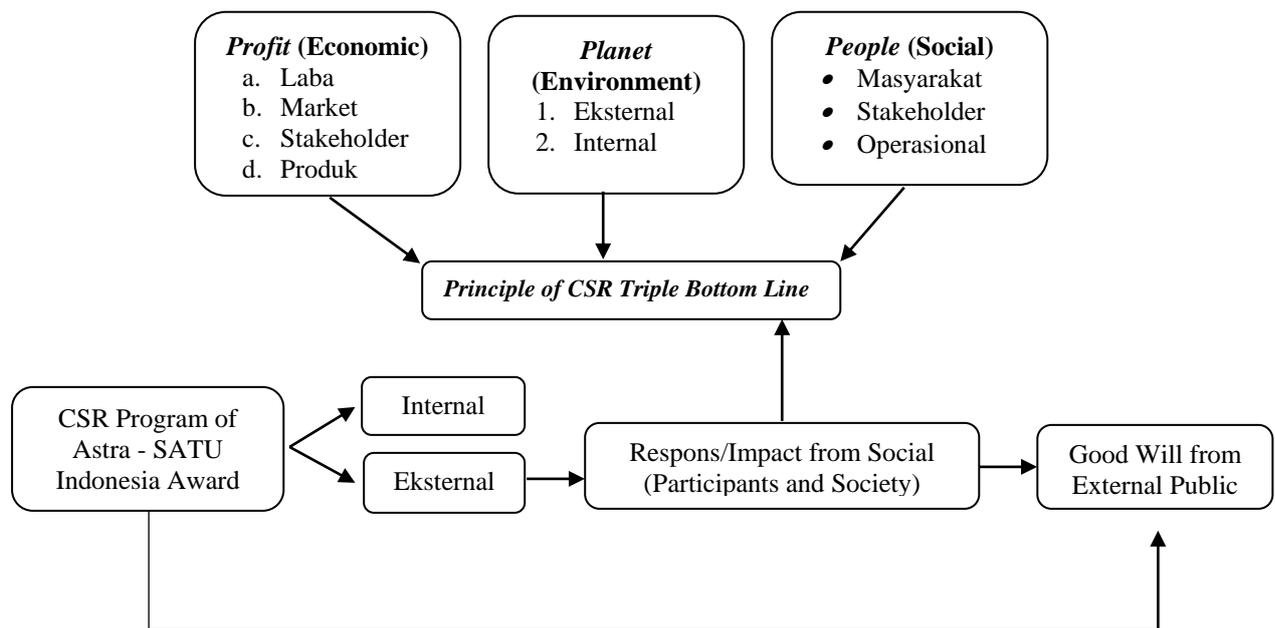

Figure 2. Thinking Framework. Source: Processed author data

3.1.4 *Implementation Analysis of SATU Indonesia Awards Activities*

It is an annual event held since 2010 and until now has produced 39 people positive pearl nation that was originally not known of its existence, then awarded and not infrequently finally become the spotlight of the local government to then develop the program owned from the winners of appreciation. Improvement for improvement in each year becomes the main focus in evaluating the implementation of the SATU Indonesia

Award. One of them is the extension of the socialization area. In order for the applicant to match the criteria to understand the program.

Implementation of ONE Indonesia Award is closely related to The Tripple Bottom Line Concept, namely People. Community development as the long-hand of CSR Astra becomes the main thing. Those awarded will continue to be given coaching and support by Astra in subsequent activities.

Implementation analysis can also be done using ISO 26000, Guidance Standard on Social Responsibility which consistently develops social responsibility with seven main issues:

1. Community Development
2. Consumers
3. Practice healthy institutional activities
4. Environment
5. Employment
6. Human Rights
7. Organizational Governance

If the program SATU Indonesia Award assessed as a sustainable program of value and the welfare of the community, taking into account the interests of the stakeholders, in accordance with applicable laws and norms, and integrated throughout the activities of the organization then the program has been well implemented.

SATU Indonesia Award, Is a concrete step of the Astra Group to play an active role and contribute to improving the quality of Indonesian society through initiative, creation and integrated work to give added value to the progress of the Indonesian nation. The increasing number of applicants of the SATU Indonesia program is also a sign of success in socializing this program. Visible on the following graph:

Figure 3. Pendaftar SATU Indonesia Award 2015

In addition to an increase in the number of applicants, the registrants have also increasingly understood the registration criteria, thus fulfilling administrative requirements.

Implementation of SATU Indonesia Award can also be measured by optimizing the use of CSR funds given to the recipients of appreciation to develop the program. Astra's commitment to running SATU Indonesia Award with consistency and sincerity is one of the corporate efforts to perform responsible business practices, more than just the fulfillment of legal and ethical obligations of the company. As a good business citizen, Astra wants to do the best for the community.

3.1.5 Astra's Reputation to Society as a Result of Corporate Communications Media

SATU Indonesia Awards are expected to show Astra's face as a business group with national insight. This is a kind of corporate branding, which is a good step in building a positive image and reputation. It takes information from the recipients of appreciation, how thoroughly understanding of Astra's reputation in their respective regions, before receiving appreciation, before getting to know Astra further and after receiving appreciation from Astra. The real support provided by the company is the pride of the nation.

In addition, the recipients of appreciation are also expected to be meaningful and consistent with their own programs to improve the competence and excellence of their local area.

3.1.6 Discussion

1. The expansion of territory in the socialization of SATU Indonesia Award activity needs to be done continuously to get other nation pearls, especially in remote areas of Indonesia.
2. Work with local government or tourism agencies to provide socialization to broaden information related to the program.

3. Measure the reputation based on local participants in each program owned by the recipient of the appreciation. Including introducing Astra business.

4. Conclusion

- Implementation of SATU Indonesia activities get positive response from the community. Evidenced by the increase in registrants and the quality of registrants in each year. Included with the socialization efforts undertaken by Astra to get the best recipient of appreciation according to their field. This is in accordance with the principle of CSR tipple bottom line, namely People, where people have a strong relationship in supporting the company to create value.
- Walk side by side with the government after completion of the activities, as village leaders / local leaders gain publicity from the program's achievements won in the SATU Indonesia Award.
- Astra's Corporate Reputation becomes better after the SATU Indonesian Award event, especially in the area of origin of the recipient of appreciation. The local community can get to know Astra business with the continuous training given to the recipient of appreciation.

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