



Community Development Practices through Corporate Social Responsibility (CSR) Program

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Abstract

Conflicts that occur between companies and communities often have detrimental impacts, both for companies, communities and local governments. Conflicts that occur are usually over land ownership or customary land issues, while one of the main factors causing conflict is community dissatisfaction with companies that are considered to have less attention and contribution to society. The conflict that occurred between the company and the community was in accordance with the media coverage of *kelip.com* (2022) which stated that the Tebo Regency Government mediated to resolve conflicts between the community and two companies in the area which had been going on for a long time. This research is aimed at finding solutions to conflicts involving communities and companies through community empowerment schemes in the CSR program. As a result, the implementation of community empowerment in CSR programs is proven to reduce conflict between communities and companies. In essence, community development must not create dependency, but must be able to encourage the creation of more creativity and self-reliance in society.

Keywords: *Community Development, CSR, Conflict Resolution*



Praktik Pemberdayaan Masyarakat dalam Program CSR

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Abstrak

Konflik yang terjadi antara perusahaan dengan masyarakat seringkali menimbulkan dampak yang merugikan, baik bagi perusahaan, masyarakat maupun pemerintah daerah. Konflik yang terjadi biasanya masalah kepemilikan tanah atau tanah ulayat, sedangkan salah satu faktor utama penyebab konflik adalah ketidakpuasan masyarakat terhadap perusahaan yang dianggap kurang memberikan perhatian dan kontribusi kepada masyarakat. Konflik yang terjadi antara perusahaan dengan masyarakat tersebut sesuai dengan pemberitaan media klip.com (2022) yang menyatakan bahwa Pemkab Tebo melakukan mediasi untuk menyelesaikan konflik antara masyarakat dengan dua perusahaan di wilayah tersebut yang telah berlangsung selama waktu yang lama. Penelitian ini bertujuan untuk mencari solusi atas konflik yang melibatkan masyarakat dan perusahaan melalui skema pemberdayaan masyarakat dalam program CSR. Hasilnya, implementasi pemberdayaan masyarakat dalam program CSR terbukti mampu meredam konflik antara masyarakat dan perusahaan. Pada hakikatnya pembangunan masyarakat tidak boleh menimbulkan ketergantungan, tetapi harus mampu mendorong terciptanya kreativitas dan kemandirian yang lebih dalam masyarakat.

Kata Kunci: CSR; Pemberdayaan Masyarakat; Resolusi Konflik

Introduction

Companies at this time are not only pursuing profits in achieving high corporate value, but must be able to carry out corporate social responsibility (CSR) towards the environment and the community around the company. The implementation of CSR is expected to help the surrounding community in overcoming various existing problems and reduce conflicts that occur between the company and the community.

Conflicts that occur between companies and communities often have detrimental impacts, both for companies, communities, and local governments. Conflicts that occur are usually over land ownership or customary land issues, while one of the main factors causing conflict is community dissatisfaction with companies that are considered to have less attention and contribution to society. In general, the community views companies as only making as much profit as possible from natural resources without regard to the community around the company.

The conflict that occurred between the company and the community was in accordance with the media coverage of klip.com (2022) which stated that the Tebo Regency Government mediated to resolve conflicts between the community and two companies in the area which had been going on for a long time. Kompas.com (2022) stated that there was a conflict between farmers and a rubber company in Bengkulu. According to the media Suara.com (2023), a new conflict occurred, namely the conflict that occurred between the indigenous people of the Awyu tribe and palm oil companies, and many other conflicts that occurred in Indonesia. This condition needs to be addressed and received attention from the government, companies and the community so that in the future there will be no prolonged conflicts that can be detrimental to various parties.

For this reason, it is necessary to have a CSR program as a form of company concern and responsibility for the welfare of the community around the company's location. CSR is a business commitment to contribute to sustainable economic development, working with company employees, the employees' families, along with local (local) communities and society as a whole, in order to improve the quality of life. CSR is a concept that organizations, especially (but not only) companies have a responsibility towards consumers, employees, shareholders, communities and the environment in all aspects of the company's operations. With the inclusion of the CSR program as part of the business strategy, it will be easy for business units within a company to implement the planned activities of the CSR program they designed (Rudito & Famiola, 2013).

Methods

This research uses descriptive qualitative method. Data collection was carried out during 2021-2022 through interviews and Focus Group Discussions together with selected informants through a purposive sampling technique.

Discussion

In implementing the CSR program, companies can form a CSR implementation team to conduct surveys to find out various problems, absorb community aspirations and explore various potentials that can later be developed further. This initial research must be carried out in a participatory manner by involving the community. From the results of this initial research, it can be used as a basis for companies in implementing CSR that can truly meet the needs of the surrounding community.

Implementation of the CSR program can be carried out in various forms of activity by optimizing its resources. The form of implementing CSR can improve community development programs so that people can be independent and able to determine their own desires. The community development program is a CSR program that is carried out on an ongoing basis.

Community development is an effort to develop a sustainable and active community condition based on the principles of social justice and mutual respect. In addition, community development is also interpreted as a commitment to empowering the grassroots community so that the community has various real choices regarding their future (Zubaedi, 2013). Meanwhile, Twelvetrees cited by Suharto (2014) states that community development is an effort to help people improve their own groups by doing business together.

The United Nations (UN) defines community development as an individual effort in the community that is carried out in such a way as to help solve community problems with minimal assistance from external organizations. External organizations include governmental and non-governmental organizations and enterprises of various types and sizes such as small and medium enterprises (SMEs) and multinational corporations (MNCs). The implication of the UN definition of community development is that it emphasizes the creativity and independence of communities for short and long-term goals, but does not oppose the role of CSR of various types of business enterprises (Masum et al., 2020).

The role of CSR implementation practices in community development is to improve the quality of human resources (community), strong independence, skills, and community welfare. In the practice of implementing CSR for community development, a high commitment from the company is required so that it is carried out and achieved properly. Community development through the CSR program can be carried out by conducting training programs, such as job training by understanding the use of the internet, practical tutoring for general knowledge at work, forming working groups, helping micro, small and medium enterprises (MSMEs), empowering regional potential in society and others.

Community development is based on an idea that people can and should take responsibility for formulating needs, seeking welfare, managing resources, and realizing their own goals in life. Community development is directed at building supportive communities, namely a community structure whose life is based on the development and fair distribution of resources as well as social interaction, participation, and efforts to mutually encourage one another. One of the goals of community development is to build a community structure that facilitates the growth of democratic participation when decision-making takes place. This effort requires the establishment of a process that allows a community to have access to resources, able to control resources and power structures in society (Zubaedi, 2013).

Furthermore, Masum et al. (2020) mentioned several benefits that implementing CSR has for community development. First, CSR helps share the negative impacts of industrialization. Companies that engage in CSR activities tend to adopt ethical business processes. Second, CSR provides a closer bond between companies and society. By carrying out CSR activities, the existence of corporations in the social system is felt beyond the perception that corporations are only a place to find workers and produce goods and services. Third, the adoption of CSR activities in multinational companies brings about technology transfer. In other words, closer ties facilitate technology transfer between multinational companies concerned with CSR and the people of the host country. Fourth, CSR helps protect the environment. There is no denying that some of the world's largest companies have made very real commitments to CSR, for example with initiatives aimed at reducing their

environmental footprint. Fifth, CSR promotes interdependence between companies and society. In other words, the increasingly close relationship between corporations and society is another aspect of CSR's role in community development because in the long run it creates sustainable development. Sixth, CSR programs can be seen as assistance to alleviate poverty. It is important for managers and employees to participate in voluntary and charitable activities within their local communities, especially in projects that improve people's quality of life. CSR programs that are successfully implemented in community development encourage growth, reduce poverty and are financially beneficial to community members. Seventh, the CSR program assists in data collection for other public organization functions. Eighth, CSR realizes the company's sustainability goals.

Conclusion

Based on the description above, it can be concluded that through the practice of implementing CSR, it can improve community development. In essence, community development must not create dependency, but must be able to encourage the creation of more creativity and self-reliance in society. Community development must place the strength of the community as the main capital and avoid engineering from outsiders who often kill the independence of the local community. Successfully implemented community development can create strong self-sufficiency and have a high level of competence so that it can increase the ability of community self-reliance to be able to develop better in the future.

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