

Corporate Social Responsibility Model of Mining Companies in the Environmental Communication Perspective

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Abstract—One of the company's successes can be seen from how the company manages corporate social responsibility (CSR) activities in the surrounding environment. The purpose of this study was to find out, analyze, and discuss CSR models in the environmental communication perspective in three Southeast Sulawesi mining companies which included: 1) CSR model in the environmental communication perspective implemented for the surrounding community, and 2) the benefits of environmental communication in CSR activities for the welfare of the community in the environment around the company. Research uses qualitative methods with a case study approach. Research results show that: the model of CSR activities carried out by three mining companies in Southeast Sulawesi in the perspective of environmental communication include: Communication of Environmental care and community relations in the context of Environmental communication. While the benefits gained by the community surrounding the company from CSR activities include community involvement in environmental communication activities about the Charity Program and Corporate Philanthropy for the surrounding environment.

Keywords—*corporate social responsibility; environmental communication; surrounding environment*

I. INTRODUCTION

The Corporate Social Responsibility (CSR) program is currently very popular among organizations, both government, private companies, as well as State-Owned Enterprises (SOEs). Some companies seriously carry out this CSR program. Athanasopoulou said that CSR is one of the most important issues on the global corporate agenda. More than ever, companies are devoting substantial resources to various social initiatives, ranging from community outreach and environmental protection, to socially responsible business practices [1].

The success of the company can be seen from how the company manages social responsibility (CSR) activities in the surrounding environment. To foster relationships with the surrounding environment, companies need to pay attention to communication with the surrounding environment. McWilliams & Siegel describe CSR as a set of actions aimed

to further some social good, beyond the explicit pecuniary interests of the firm, that are not required by law [1].

Corporate Social Responsibility (CSR) activities mean that there is a humane organizational capacity to be able to respond to social conditions that occur in the surrounding environment. Activities are carried out in the hope that they can be enjoyed and utilized not only by the surrounding environment, but also for an organization or company will benefit, especially in the creation, enhancement and maintenance of the image in the eyes of the community. However, not a few companies do not realize the importance of this CSR activity and many do not care about the surrounding environment. Some economists have denied corporate social involvement, saying their only objective is to maximize shareholder profits and only individuals have social responsibilities; the companies are responsible only to their shareholders and not to society in general [2].

In Indonesia, CSR is one of the obligations that must be carried out by corporations in accordance with the contents of Article 74 paragraphs 1 to 4 of the Limited Liability Company Law (UUPT) which was passed by the House of Representatives in July 2007 [3]. Article 74 concerning social and environmental responsibility not making it up without strong grounds and arguments. Various cases and demonstrations that often occur to the company, as well as attitudes that are not responsible for the management of the mine, affect the destruction of the environment, health, facilities, and others in the community around the company. Chapter V of Social Responsibility and Environment Article 74 mentions the following:

- Paragraph 1. Companies that carry out their business activities in the field and / or relating to natural resources must carry out Social and Environmental Responsibilities.
- Paragraph 2. Social and Environmental Responsibilities as referred to in paragraph (1) are the obligations of the Company which are budgeted and calculated as costs of the Company which are carried out by observing propriety and fairness.

- Paragraph 3. Companies that do not carry out the obligations as referred to in paragraph (1) are subject to sanctions in accordance with the provisions of the legislation.

Elkington in the Triple Bottom Line at 21st Century Business packs CSR into three focuses: 3P (profit, planet, and human). A good company not only pursues mere economic profit (profit) and also has concern for environmental sustainability (community) and community welfare (people) [4]. Next, there is one line, which is a procedure that can be interpreted as a process that is carried out correctly, appropriately, and professionally in its field [5]. Initially the most common development of CSR was assistance to local organizations and communities in developing countries. But today, many companies are approaching community development that is applied to the concept of empowerment and sustainable development. The principles of good corporate governance, such as: justice, transparency, accountability, and responsibility then become the basis for measuring the success of CSR programs. The Seven Key Principles, advocated as the roots of socially responsible behavior, are: Accountability, Transparency, Ethical behavior, Respect for stakeholder interests (stakeholders are individuals or groups who are affected by, or have the ability to impact, the organization's actions), Respect for the rule of law, Respect for international norms of behavior, Respect for human rights [6].

The company as a responsible institution, in addition to seeking profit, also has responsibility and concern for the community, for the community around the company. With this concern, the company is one of the institutions concerned with CSR issues. From various CSR programs of the company, it can be known that the community's response is in the attitude of the community. Therefore, it is necessary to search, review and analyze in depth about "How is the Corporate Social Responsibility Model in the Environmental Communication Perspective on Mining Companies in the Southeast Sulawesi Region".

Today researches showing the urgency of CSR program are; The analysis of Ismail shows that CSR proved to have many roles and the brought impacts to the community as follows: Closer ties and interdependencies between corporations and community, sharing the costs the society has to pay due to environmental degradation, transfer of technology from international companies to developing countries, environmental protection measures that done together by corporation and the communities, poverty alleviation in the communities, human right advocacy, and helps in data gathering by ICT firms to facilitate public organization functions [7]. The concept of corporate social responsibility is now firmly rooted on the global business agenda. But in order to move from theory to concrete action, many obstacles need to be overcome. A key challenge facing business is the need for more reliable indicators of progress in the field of CSR, along with the dissemination of CSR strategies. Transparency and dialogue can help to make a business appear more trustworthy, and push up the standards of other organizations at the same time [8]. CSR Communication

has a positive as well as a significant relationship with (Variable) Corporate Social Responsibility; (Variable) Corporate Social Responsibility has both a positive and significant relationship with Firm Performance [9]. CSR practices exert both a direct influence on customer satisfaction and an indirect, mediated influence on customer loyalty. Moreover, the results of qualitative data analysis suggest that multinational companies and young managers are leading the way in implementing CSR practices in Bolivia [10]. Corporate Social Responsibility, Company Size, and Institutional Ownership simultaneously have a significant effect on company performance. Institutional ownership can moderate the relationship between CSR and company performance [11].

Purpose of this study was to find out, analyze, and discuss CSR models in the communication environment in three Southeast Sulawesi mining companies which included: 1) CSR model in a communication environment that was implemented for the surrounding community, and 2) the benefits of environmental communication in the situation CSR for employees in the environment around the company.

The uniqueness of the cases that occurred in the three mining companies are: 1) CSR is very strong with mining companies. 2) Generally mining companies in the Southeast Sulawesi region do not optimally implement CSR activities and do not even carry out CSR activities 3) Many mining companies are rogue in the Southeast Sulawesi region, but three companies consisting of PT. Macika Mada Madana, PT. Ifishdeco, and PT. Wijaya Inti Nusantara conducts CSR activities.

II. METHOD

This study uses a qualitative method with a case study approach with a single case (holistic) [12]. Data collection techniques used in this study are: questionnaires, interviews, observation, and literature studies (books, journals, documents, and the internet).

All data that has been collected and relevant to the case to be studied is structured in such a way that it can find a Corporate Social Responsibility model implemented in three mining companies.

III. RESULT AND DISCUSSION

A. *CSR Model in the Environmental Communication Perspective*

In the implementation of environmental communication, business organizations must begin to manifest as a social institution, where the understanding of society is no longer a part of the community, but as a partner for the achievement of the organization. This situation puts the company directly involved in social issues that arise in one community outside of business activities. This is the meaning of the institution or organization in addition to economic dimension and dimension of social freedom. The following is the author's thoughts on the CSR model in the Environmental Communication Perspective (figure 1).

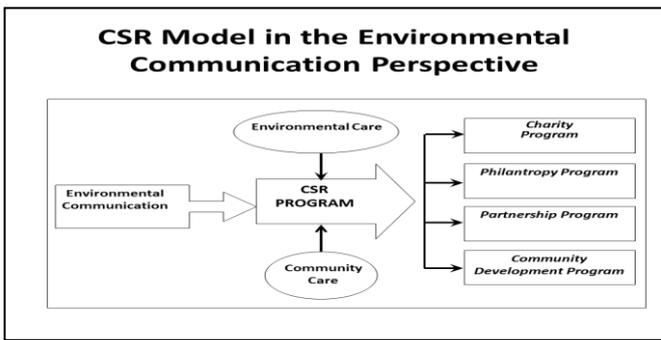


Fig. 1. CSR model in the environmental communication perspective.

CSR programs can be implemented in various model depending on the needs of the company, therefore the authors offer model of activities that can be implemented in CSR programs in the perspective of environmental Communication is through four concept activities which include: Charity Program, philanthropy Program, Partnership Program, and Community Development program. The following is a description of the four CSR programs:

1) *Charity program*: Is a program based on the charitable attitude of a company to care for various stakeholders who need it. This program can be implemented in the CSR model funds for the benefit of stakeholders whose lives are not lucky, such as for the poor. For this program the company can do: scholarships for poor people, school equipment assistance (books, shoes, bags, etc.), environmental rehabilitation such as environmental sanitation programs (making public toilets, giving toiletries, etc.), rehabilitation of places places of worship, rehabilitation of schools in poor areas, food assistance programs for the poor, mass circumcision, mass marriages for the poor who cannot afford it, donations of natural disasters, etc.

2) *Philanthropy program*: a program based on the generous attitude of a company to care for various stakeholders This program can be implemented in the model of CSR funds for the benefit of stakeholders through the activities of companies with the aim of improving the quality of input factors that will be used. from humans and supporting institutions found around the company. Activities that can be carried out by the company in this program include: assisting university research programs for the benefit of the company by providing research funding support, teacher care company programs by providing free training for elementary, middle, high school teachers with the aim of increasing human resources, provide funding for further education for the internal public (employees) and external (teacher / lecturer), workshops, seminars, or training to increase employee Human Resources or young people who drop out of school, and others.

3) *Partnership program*: that is a partnership program or conducting activities of fostered partners and community development is a program to increase the ability of small businesses to become resilient and independent through funds from the company's profit division. The Partnership Program

is a corporate participation in order to increase the workforce in the context of helping, economic, social, and education. This program is mostly carried out by SOEs, Banks, etc. in an effort to show concern for those who have the potential to do business or to increase their business to be better and develop.

4) *Community development program*: that is a company program to carry out community development activities through empowerment efforts for individuals or groups who use abilities (including awareness and skills) needed to change the quality of community life around the company. Bringing these people by building economics and politics through the formation of social groups that work on a common agenda. Community development Activity, usually creating social movements and actions through the formation of mass groups and mobilizing them to be used to develop various aspects: developing, developing economic areas (for example: developing tourist areas), developing community organizations, developing potential Regional Original Income, developing the potential of regional art, culture, politics, religion, and others.

B. Benefits of Environmental Communication in CSR Activities

The benefits of the CSR program in the perspective of the environmental communication for the community around the company include:

- Ease in implementing various company programs aimed at communities in the surrounding environment.
- Ease in communicating with the surrounding community as the nearest neighbor.
- Fostering cooperation between companies and communities around the company can lead to active and positive participation for the interests of both parties.
- Can channel the concept of charity, generosity, partnership, and community development carried out by the company as a model of corporate social responsibility, which can be given to the surrounding community.
- Strengthen ties as fellow local residents.

Based on the results of the research, it can be explained that the findings obtained are in line with the results of previous research which shows the urgency of corporate social responsibility, especially in community development and environmental protection for social good, while at the same time boosting the company's performance and reputation.

Although the company has not been maximized in communicating and practicing CSR programs, the benefits of environmental CSR communication can be felt positively by the community around the company. This is related to the ease of communicating and implementing corporate programs, the establishment of good cooperation between the surrounding community and the company, the distribution of various corporate assistance to the surrounding community, and the establishment of friendship with local residents.

IV. CONCLUSION

Research results show that: CSR model activities carried out by three mining companies in Southeast Sulawesi in the perspective of environmental communication include: Environmental care and community relations communication in the context of public relations. While the benefits gained by the community surrounding the company from CSR activities include community involvement in environmental communication activities about the Charity Program and Corporate Philanthropy by the company for the surrounding environment.

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