

Evaluation of the Implementation of the PLN Peduli Program as a Form of Corporate Social Responsibility (CSR) in the Special Region of Yogyakarta

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ABSTRACT

Keywords

Implementation PLN Peduli CSR DI Yogyakarta. This research aims to understand the implementation of Corporate Social Responsibility (CSR) programs by PT PLN (Persero) in Yogyakarta, specifically the "PLN Peduli" program. CSR is a corporate obligation to contribute to social, economic, and environmental development as regulated by Law Number 40 of 2007. The study employs a qualitative approach with a focus on a case study, illustrating that PT PLN has successfully implemented CSR programs as part of its social responsibility. Findings indicate that the "PLN Peduli" program has positively impacted access to education, public health, economic welfare, and environmental conservation in Yogyakarta. In practice, PT PLN applies the Triple Bottom Lines (3P) principle encompassing Profit, People, and Planet, through initiatives such as developing ecotourism at Sungai Mudal and providing free electricity to economically disadvantaged households. However, program evaluation reveals challenges such as inadequate maintenance of donated ecotourism infrastructure and limited awareness among beneficiaries regarding the benefits provided.

1. Introduction

PLN (State Electricity Company) is the largest electricity provider in Indonesia, responsible for the production, distribution, and supply of electricity across the country. PLN acknowledges its social responsibility to contribute to social, economic, and environmental development in Indonesia (Zebua et al., 2022). Corporate Social Responsibility (CSR) is a company's obligation or social responsibility that aims to benefit external stakeholders, as stipulated in Government Regulation Number 47 Year 2012 on Corporate Social Responsibility and Environmental Responsibility (Marthin et al., 2017). Through its CSR program, PLN aims to create positive impacts on communities and the environment around its operations. The "PLN Cares" CSR initiative is one such program undertaken by PLN in Indonesia, aiming to benefit local communities and the environment.

Evaluation of CSR implementation, such as "PLN Cares," is typically conducted to assess the extent to which CSR goals have been achieved, their long-term utility, and to provide insights for continuous improvement. Strategic communication plays a crucial role in empowering communities through CSR programs (Syarifuddin, 2020). CSR strategies are designed to strengthen sustainability aspects through sustainable, measurable, and impactful long-term CSR programs that are participatory in nature, involving collaboration between companies, communities, and stakeholders.

One frequently utilized theory in CSR is the Triple Bottom Line (3P) concept by John Elkington (1998), which divides Corporate Social Responsibility into three fundamental components: Profit, People, and Planet. In Indonesia, companies commonly implement CSR through direct involvement, via foundations or social organizations, partnerships with other parties, or participation in consortia.





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Currently, supervision and sanctions for weaknesses in CSR implementation models in Indonesia are limited, with legal requirements mainly focusing on accountability through annual reports presented at General Shareholder Meetings. Supervision is crucial to ensure that CSR programs align with their objectives, maximize benefits for the served communities, and reflect the company's commitment to social and environmental responsibility (Öberseder et al., 2013).

In practice, CSR should go beyond mere assistance. CSR budgets allocated to communities should be collaboratively planned and responsibly executed with community involvement, as they best understand their own needs. This concept, known as Community Development, aims to engage communities in cooperative and active participation in CSR efforts, fostering independence, clearer issue mapping, and more targeted program development. Many companies still view CSR not only as a social responsibility but also as a commercial advantage (Nayenggita et al., 2019).

2. Method

This research focuses on the activities undertaken by PT PLN in fulfilling its obligations as a State-Owned Enterprise (SOE). It employs a qualitative research approach with a case study focus. According to Kriyantono (2006), "Case study method is a research method that uses various data sources to thoroughly analyze and comprehensively describe various aspects of individuals, groups, programs, organizations, or events systematically." Using a descriptive method, as defined by Bogdan and Taylor, qualitative research is a procedure that generates descriptive data in the form of written or spoken words, or observable behaviors (Moleong, 2000).

By processing data qualitatively, researchers can easily gather and analyze data and theories by systematically understanding and compiling data. According to Mulyana (2001), case studies aim to "provide a complete and in-depth description of the subject being studied." In this descriptive research, the researcher analyzes interview results and studies literature from news reports, websites, and previous research.

Data gathered in this study come from various sources such as groups, different locations, and times based on interesting facts observed in the field. Information is also collected from relevant informants and sources spread across social media. The researcher chooses to focus on source triangulation to ensure data validity, which is more suitable for this research method compared to triangulation of time and technique. Results obtained from various sources, such as interviews, documents, or archives, aid the researcher in completing this study effectively.

3. Result and Discussion

The findings of this research indicate that PT PLN has successfully fulfilled its obligations as a large company by implementing the PLN Cares program in Yogyakarta as part of its CSR initiative, which is a legal obligation mandated by Article 74 paragraph (1) of Law Number 40 of 2007 concerning Limited Liability Companies. Through the PLN Cares program, the impacts encompass improvements in several areas such as education access, public health enhancement, economic welfare improvement, environmental protection and preservation, and strengthening relationships with the local community.

Applying the Triple Bottom Lines (3P) theory Profit, People, and Planet PT PLN Yogyakarta has executed various programs. For instance, they have enhanced ecotourism development at Mudal River in Kulon Progo Regency, provided assistance to the BUMN House in Wonosari Gunung Kidul, and offered free electricity connections to low-income households in the DIY region, with 54 households in Kulonprogo Regency benefiting from free electricity connections as a manifestation of PLN's community care.

However, the PLN Cares program has encountered challenges. For example, there have been shortcomings in the maintenance of the Mudal River ecotourism improvements, which were not adequately addressed by local management, resulting in initial benefits but subsequent issues.

In the planning process, public relations (PR) plays a crucial role as the forefront in PT PLN's implementation of the PLN Cares program. According to PR theories and roles as outlined by Dozier and Broom (Ruslan, 2012), after planning, the implementation phase involves executing the planned

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programs, policies, plans, or ideas. Subsequently, the evaluation stage is crucial as it consistently measures the effectiveness and comprehensiveness of the processes over time, aiding the organization or company in understanding the impact of their programs or activities.

3.1. Presenting the Results

PLN is committed to integrating the development of three aspects in electricity provision: economic, social, and environmental. In line with this commitment, PLN has developed the Corporate Social Responsibility (CSR) Program as a tangible manifestation of corporate social responsibility (Muâ et al., 2021). The authority and responsibilities of the Partnership and Community Development Program (PKBL) and CSR at PT PLN (Persero) include: (1) Formulating and implementing community empowerment policies within the company's environment as part of corporate social responsibility and CSR, encompassing activities such as Community Services, Community Empowering, and Environmental Conservation. (2) Developing and implementing corporate social care programs. (3) Formulating and implementing social partnership and SME development programs. (4) Ensuring the availability and implementation of environmental conservation programs, including greening efforts and enhancing corporate image in line with Good Corporate Governance principles.

PLN's commitment in the Yogyakarta area is evidenced by the establishment of the Corporate Social Responsibility program, specifically the PLN Cares program, which operates in various locations such as Gunung Kidul and Kulon Progo. The company undertakes various forms of social responsibility in fields such as education, culture, and economics to fulfill its obligations as a large corporation (Linaningsih & Yuanjaya, 2023). To effectively execute this program, PLN needs to plan through several stages, including: yaitu:

Planning Stage. The planning stage is one of the important stages in a program, project or activity process for a group of people. This stage involves the goals, strategies and steps that will be taken to achieve these goals. The planning stage provides the basis and guidance needed for effective implementation. In this stage, PLN needs to conduct research or surveys in locations that are worthy of assistance, such as villages or underdeveloped areas or tourist areas that are worthy of further development. With good planning, programs or activities have clear direction, measurable goals, and a structured action plan to achieve them.

Implementation stage. Implementation is the process of implementing or executing a program, policy, plan or idea that has been previously planned. Implementation involves concrete steps to apply a concept or plan into actions that can be implemented and achieve the desired goals (Arham & Ernawati, 2022). As is the case with the Sungai Mudal ecotourism, it has been a PLN Cares partner since 6 years ago, PLN participated in donating 64 local workers, apart from that, also in the free electricity program in Kulon Progo which is going through the implementation stage in determining which residents deserve it.

Evaluation Stage. The evaluation stage is a stage that needs to be carried out consistently from time to time to measure the extent of the process carried out, whether it is good and comprehensive, can help the organization or company to understand the impact of the program or activity carried out, identify improvements and direct future policies and strategies. future to achieve common goals (Artha et al., 2022). According to Wirawan (2011), evaluation is research to collect, analyze and present useful information about the evaluation object, assess it by comparing it with evaluation indicators and the results are used to make decisions regarding the evaluation object.

3.2. Discussion

In implementing Law Number 40 of 2007 concerning Limited Liability Companies, Article 74 concerning Social and Environmental Responsibility, PLN carries out its program, namely PLN Cares, by applying the Triple Bottom Line theory in the management stage as an Implementation Strategy for the PLN Cares Program such as the planning process and implementation strategy. CSR (Ratna & Hasanah, 2019), Determining relevant CSR programs and involving stakeholders and the community in CSR planning and implementation. After carrying out 3 stages of management, namely:

Planning Stage. This initial stage involves the goals, strategies and steps that will be taken to achieve these goals.

Implementation Stage. This stage is the process of implementing a program to execute ideas or concepts that have been planned at the initial planning stage.

Evaluation Stage. This stage is the final stage of all programs that have been implemented, this stage is also the stage where the implementer can determine whether the program is running well and the implementer can find any deficiencies that occur (Qonaah, 2018). Then apply the PLN Cares Program Implementation Strategy: (1) CSR planning process and implementation strategy. This process is where PLN public relations determines areas that are suitable for receiving assistance from the PLN Cares program, such as in the Kulon Progo area which receives assistance, or in the Sungai Mudal ecotourism area which has the potential to become a tourist destination with great opportunities in the tourism sector. (2) Determination of relevant CSR programs. At this stage, PLN public relations determines appropriate programs for locations that need assistance, such as the Mudal River ecotourism which receives assistance such as camping ground, seating, gazebos, pavilions, prayer rooms, toilets and bathing pools. (3) Involve stakeholders and the community in CSR planning and implementation. This process certainly involves external parties such as the community or local stakeholders who receive guidance from PLN to help realize government programs, namely alleviating poverty, absorbing labor and improving the welfare of the surrounding community.

4. Conclusion

From the explanation above, it can be concluded that PT PLN Yogyakarta has succeeded in carrying out its obligations as a large company, namely through the PLN Cares program as a form of CSR. By implementing an implementation strategy, PLN can measure the success of the CSR program and process the evaluation and continuous improvement stages. There are things that were found in the evaluation of this research: PT PLN succeeded in providing assistance to the right targets and at the right time. At the implementation or execution stage, PT PLN was slightly hampered by the ecotourism route which at that time was not very adequate. Insufficient maintenance by aid managers or local communities who are less sensitive to the aid provided. So far, PT PLN continues to explore areas that are worthy of receiving CSR assistance in the PLN Cares program

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