The Duality of Community Development and Community Relations Functions of Corporate Social Responsibility (CSR) Program: A Case Study of Oil and Gas Company in Subang, West Java

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Abstract
This article discusses the latent function of the BROERI Program of PT Pertamina EP Asset 3 Subang Field as an instrument to build corporate relations with its stakeholder (Community Relation), besides its manifest function in capacity building and community independence (Community Development). The previous studies have been more dominant in highlighting and focusing on the evaluation of community development functions of the CSR programs, rather than their community relation function. Whereas for oil and gas companies, the risk of conflict with communities and other local stakeholders tends to be high and needs to be mitigated with appropriate CSR programs. The author argues that behind the design that is explicitly directed to manifest functions (Community Development), the CSR programs also have a crucial latent function as a medium of communication and negotiation with community stakeholders (Community Relations). The result of this research with the qualitative method shows that the BROERI Program of PT Pertamina EP Asset 3 Subang Field is less able to establish and increase the capacity of the community. Besides, the program does not function optimally as a “Communication Forum” in maintaining corporate relations with its local stakeholders. Conceptually, in assessing the performance of the CSR program of the oil and gas company, the function of community relations must be a dimension with a balanced weight to the function of community development.

Keywords: CSR, manifest functions, latent functions, community development, community relations
INTRODUCTION

Corporate Social Responsibility (CSR) practiced by multiple companies are carried out globally and nationally, including in Indonesia. The characteristics of CSR motives in various countries are relatively different. Companies in developing countries such as Southeast Asia, South Asia, the Middle East, South America, and Central America tend to carry out CSR practices with an emphasis on the main motives of charity and philanthropy, in addition to other secondary motives such as contributing to solving social problems where they are active (Debroux 2006; WINGS Report 2008). While in developed countries, CSR practices are more on improving corporate social performance, responsible products, active management involving stakeholders, and contributing to equality issues.

The increased local democratization after reform and the issuance of limited liability company Act No. 40 the year 2007 and capital investment Act No. 25 the year 2007, drive the increase in the number of companies that practice CSR in Indonesia by leaps and bounds. One of them is a company that practices CSR for local community stakeholders. Data from the Ministry of Environment (KLH) in 2017 shows that starting in 2012 many companies participated in Program Penilaian Peringkat Kinerja Dalam Pengelolaan Lingkungan (PROPER). The activity was initiated by KLH, where one of the aspects assessed was the company’s CSR performance. Most participants who participated in this activity came from extractive companies such as oil palm and oil and gas plantation companies. During 2013-2016 there was a significant increase in the number of extractive companies participating in PROPER, which reached 3 times compared to the previous period. This shows that more and more companies are trying to practice CSR seriously.

In its development, CSR studies have heterogeneity both in terms of theory and approach as well as aspects of the objectives and functions of CSR practices. Garriga & Melé (2004) categorizes CSR theory into instrumental theory, political theory, integrative theory, and ethical theory of motivation and corporate interests in implementing CSR. On the other hand, Secchi (2007) classifies CSR approaches as utilitarian, managerial, and relational approaches. Previous studies on the objectives and functions of CSR practices (Zhang & Moffat 2013) looked at some of the objectives of CSR, namely (1) Legal Compliance
Knowledge); (2) Business Image or Business Image (Communication Science perspective); (3) Corporate Performance or Company Performance (Management Science perspective); (4) Community Development; and (5) Relationships/Community Relations. The objectives of a company’s CSR practices can be a combination of a number of the above objectives, but still with more emphasis on one of the goals. From some of these study groups, a sociological analysis of the objectives and functions of CSR is more visible in the Community Development (CD) and Community Relations (CR) studies. The study of CDs emphasizes the purpose of CSR in developing the human resources capacity of local stakeholders towards independence. This capacity development is an effort to overcome social and economic inequality between local communities and employees/migrants due to company activities. Therefore, CSR becomes a policy in increasing the competitiveness and independence of local communities (Ife 2002; Ismail 2009; Aldrin 2014; Kharisma 2015; Asumah 2015; Wopara 2015; Rudito & Budimanta 2003). Studies in this group place more emphasis on the ethical aspects of CSR (Bowen 1953 & Elkington 1997).

A study of CR shows the importance of the objectives and functions of CSR programs in building relationships with communities and other local stakeholders. This study group sees that extractive companies and local communities are entities that have their respective interests so that CSR programs play an important role in fulfilling social expectations which results in good social integration between the two parties. CSR practices also become a place for interaction, negotiation, cooperation, and various other forms of relations. In some cases, CD and CR functions can work together even though they are not always balanced (Kemp & Owen 2013; Zhang & Moffat 2013; Kemp et al 2011; Boutilier et al 2011; Coldliffe 2014). The studies in this group refer to the CSR perspective from stakeholder theory (Freeman 1984).

Oil and gas companies have the challenge to establish relationships with local communities/local stakeholders (primary stakeholders), especially in democratic countries (Geva 2008). The social and environmental impacts of these company activities often result in latent conflicts in the form of negative perceptions and rumors towards the company, as well as manifested in the form of demonstrations and blockades of local communities that oppose the company’s existence. Under these conditions, CSR programs and company policy instruments are important to be directed towards the creation of better
relations. This condition is contradictory to the study of the company’s CSR performance measures which are more about the function of CD, compared to CR. Therefore, these various problems need to be mitigated with CSR programs that synergize both functions.

The CD program conducted by PT Pertamina EP Asset 3 Subang Field was carried out together with the community and other local stakeholders. Company and local stakeholders carried out social mapping through the “Communication Forum” which was formally bundled as the Bank Roentah Inspirasi (BROERI) Program. This communication forum had a role and function in implementing CSR programs. Based on the explanation above, this article seeks to describe how the CSR program functions as a form of company CD in the local community (beneficiaries), as well as a Communication Forum which is a means of the company’s CR function with several local stakeholders such as local communities and local governments.

I disagrees that both of CSR functions are seen separately because the CD and CR-based programs are interconnected and impactful. The author views that the implementation of CSR needs to be seen in full and integrated CD and CR functions. However, previous studies emphasize the approach to implementing CSR that forms good social relations separately, namely CD or CR alone. Different from previous studies, this research will discuss the function of the BROERI Program of PT Pertamina EP Asset 3 Subang Field in negotiating in a communication forum in implementing CSR programs while looking at the implications for CDs and CRs. Therefore, the author argues that behind the design that is explicitly directed to the CD (manifest) function, CSR programs also have a latent function that is crucial as a medium of communication and negotiation with company stakeholders (CR). In this article, the two approaches are inseparable in shaping the independence and sustainability of CSR programs in the community and minimizing the occurrence of conflict and producing good relations.

RESEARCH METHOD

This article is written based on a research used qualitative methods to gain understanding through the process of subjective meaning (Creswell 2003). This method is to describe in-depth the manifest and latent functions of PT Pertamina EP Asset 3 Subang Field CSR program in the BROERI program, as well as the implication process for CDs and
CRs. Data collection was done by in-depth interviews and observation as the main method. The informant selection technique was carried out by using purposive sampling to obtain informants that fit the mastery criteria of the CD and CR functions of the BROERI program, including 1) CSR Staff PT Pertamina EP Asset 3 Subang Field, 2) Dangdeur Village Apparatus as a representative of the government, and 3) Local community of Dangdeur Village, Subang Subdistrict as the beneficiary of the program. The study was conducted in Dangdeur Village as the Ring 1 region of the functional zone of PT Pertamina EP Asset 3 Subang Field. Besides, Dangdeur Village is also one of PT Pertamina Asset 3 Subang Field’s CSR-assisted areas that were awarded the Gold PROPER in 2015 and Green PROPER in 2016 and 2017. In the process of data analysis, I establishes a form of data categorization in assessing the duality of the function of CD and CR regardless of the purpose of quantification, but based on the meaning of previous research concepts (Ife 2002; Prayogo 2013; Rozi 2017; Calvano 2007; Kemp et al 2011), as follows:

Table 1. Data Categorization in Assessing CD and CR Functions

<table>
<thead>
<tr>
<th>Functions</th>
<th>Aspects</th>
<th>Significance Function</th>
<th>Social Relations Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Development</td>
<td>Benefit</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capacity Development</td>
<td>1. High</td>
<td>1. Security</td>
</tr>
<tr>
<td></td>
<td>Sustainability</td>
<td>2. Medium</td>
<td>2. Support</td>
</tr>
<tr>
<td>Community Relation</td>
<td>Recognition</td>
<td>3. Low</td>
<td>3. Acceptance</td>
</tr>
<tr>
<td></td>
<td>Contact/communication</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cooperation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Society participation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Explanation:
1. High (Social Relations Index at the point of “security”), when the informant’s statement fulfills all aspects of the CD and CR.
2. Medium (Social Relations Index at the point of “support”), when the informant’s statement only fulfills some aspects of the CD and CR.
3. Low (Social Relations Index at the point of “acceptance”), when the informant’s statement fulfills only one or even none of the CD and CR aspects.

The data validation strategy that I did was conducted by data triangulation. The limitation of this research is only to discuss the BROERI program in Subang City, not in other areas.
DUALITY OF COMMUNITY DEVELOPMENT AND COMMUNITY RELATION FUNCTIONS

In its development, the company has the objectives and functions of CSR practices. This is applied by the company as a strategy in forming a social relationship with local stakeholders. In previous studies, sociologically, the objectives and functions of CSR practices were more visible in CD and CR studies (Ife 2002; Ismail 2009; Aldrin 2014; Kharisma 2015; Asumah 2015; Wopara 2015; Rudito dan Budimanta 2003; Kemp dan Owen 2013; Zhang dan Moffat 2013; Kemp et al 2011; Boutilier et al 2011; Coldliffe 2014).

Community development is the term development in the context of human resource development towards independence. Human resource development aims to minimize the impact of company activities in the form of socio-economic inequality of local communities with companies and other migrants. Therefore, a policy is needed to improve the competitiveness and independence of local communities. With these efforts, the community can organize their own socioeconomic through community-based programs which are often referred to as CDs (Rudito dan Budimanta 2003). This is supported by Ismail (2009) study that CD is a form of an initiative by the community in partnering with company and external organizations so that they can empower individuals and groups actively and sustainably with the skills they have to carry out change in the community.

According to Prayogo (2013), CSR is when a company must create prosperity in the community, while simultaneously building relationships that support each other between the company and the local community. The purpose of the existence of CSR activities is to carry out a commitment to business ethics to its stakeholders which to achieve this the company must implement CSR programs. In several CSR programs, various variables and dimensions are used to describe and also measure the success of the program. In this context, the company’s CSR program must be seen as a process in which the company participates in local development. The process of implementing the program is reflected in the performance or the performance of CSR programs that the company runs. For that reason, in seeing how the company’s process and its stakeholders participate (integrate) in the implementation of CSR programs there are three important aspects, namely (1) Benefits (effectiveness), this aspect is intended as program benefits in improving
community conditions, meeting needs and increasing access services, as well as raising local potential; (2) Capacity building, this aspect is intended as a program able to increase knowledge and skills as well as increase organizational skills felt by the community due to the program; and (3) Sustainability, this aspect so that the program can still be carried out by the beneficiaries if the assistance is stopped, and encourage the community to continue the CSR program independently (Rozi 2017).

The aspects of benefits, capacity development, and sustainability can be used to measure the success of the company’s CSR program and its participating stakeholders (integration between the two parties) in the implementation of CSR programs. This becomes important when the company carries out its business ethics commitment to its stakeholders in creating the welfare of the local community, while also building mutually supportive relationships between the company and the local community. Also, the company has an interest in getting benefits from implementing CSR programs. In addition to the perspective that CSR programs improving the welfare of surrounding communities, the ideal CR-based CSR program is also observed from the success in building a good corporate image. The CR-based CSR program aims to achieve maximum results and benefits for the community and the company itself (Kharisma 2015).

Community Relations (CR) is a form of strategic development of mutually beneficial relationships between companies and local communities. The relationship between the parties has a long-term goal, which is to build a reputation (the formation of the company’s image) and the trust of local communities towards the company. The relationships formed in the form of economic and social goals that have a positive effect on company profits (Doorley & Garcia 2007; Putra 2013). This shows that CR-based CSR programs have a function to build relationships with communities and other local stakeholders (Kemp et al 2011; Boutilier et al 2011; Kemp & Owen 2013; Zhang & Moffat 2013).

Oil and gas companies that conduct natural exploration need to carry out ethics in maintaining corporate social relations. In addition to regulating profits or the legality of business profits, ethics are also needed to create corporate social legitimacy in the social environment (Prayogo 2013). Strong relationships (socially legitimate relationship) will clarify the company’s position related to social legitimacy. This can be noticed in the form of support or protection by local stakeholders for
the existence of a company that can have a positive impact. According to Prayogo (2013), the index of corporate social relations can include social conflict, social resistance, social acceptance, social support, and social-based security.

Figure 1. Corporate Social Relation Index

<table>
<thead>
<tr>
<th>(-)</th>
<th>(+)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conflict</td>
<td>Resistance</td>
</tr>
<tr>
<td>(Weak Relation)</td>
<td>(Strong)</td>
</tr>
</tbody>
</table>

Source: Prayogo 2011

Good social relations (integrated) between Oil and Gas companies and local communities as the main stakeholders are located between the spectrum of acceptance and security. The relation index at the point of acceptance indicates that the company has been accepted by the community, but the relationship between the two parties is weak due to the absence of relations that support each other and the protection of the company by the community. While the security point illustrates the establishment of a strong relationship between the two parties (socially legitimate relationship). This happens when the company has been accepted by the surrounding community so that strong relationships arise, support each other, and lead to the company’s protection by the community (Prayogo 2013).

Besides that, the meaning of the relationship formed between the company and the local community (CR) can be seen from several aspects, such as recognition, contact or communication, cooperation, and community participation. According to Calvano (2007), differences in people’s perceptions of looking at companies are based on the existence of cognitive processes (knowledge) related to people’s sensitivity in recognizing companies. Furthermore, the issue of equal distribution of community power, at a practical level, can be seen from the development of community participation and cooperation as a form of mutually beneficial relations both within the corporate social program and outside the program (Calvano 2007; Rozi 2017).

When there is a conflict with the community, this CR-based CSR plays its role in building relationships with the community and other stakeholders through negotiation mechanisms that produce mutually
agreed CSR programs. Negotiation in the above context is a process where two or more actors unite their different perceptions into the same decision (Coldliffe 2014 & Ismail 2009). Then the decision appears usually formed from a change in position and their desire to become one unit through persuasive or coercive means. Other than that, Mukhsin (2007) also explained that negotiation is a discussion process to resolve conflicts of interest, where the negotiation here is not to whom the actors win or lose, but to look for willingness and volition to look for creative choices in finding the right solution. In contrast to mediation whose function is only to reconcile, this negotiation is more about solving problems together with a compromise of win-win solutions so that the solutions that arise can be mutually beneficial.

In negotiating, according to Fisher and Ury (in Coldliffe 2014), three things can be done, namely, (1) Soft Negotiation, is a negotiation process that greatly avoids personal conflict and makes many agreements, (2) Hard Negotiation, is a negotiation that can be said to be a contest between “the strong” and “the weak” was strongly related to the threat of policy, and (3) Principled Negotiation, is a process that emphasizes the merits of their problems rather than the hanging process.

DUALITY OF CSR FUNCTION FROM FUNCTIONAL STRUCTURAL PERSPECTIVE

Communication Forum is a company assistance forum formed by the community and local stakeholders under the guidance of the company. This Communication Forum aims to strengthen social relations and build independent communities around the area of oil and gas operations. The formation of social relations through a Communication Forum that is bundled in a CSR program will achieve a balanced condition if there is a social order process that becomes a system, so there is no conflict in society. This shows that establishing good relations is important in maintaining the sustainability of the company’s production (Davis & Frank 2011).

The concept of order in society is explained in functional structure theory by Robert K. Merton (in Ritzer 2008) who focuses on groups, organizations, society, and culture on its functional theory. This function is defined as consequences that can be observed and can also lead to adaptation or adjustment of the existence of a system. Therefore, the manifest function is an objective consequence that contributes to
system adaptation or adjustment, which is desired and recognized by the elements in a system. Whereas latent function is an objective consequence that contributes to the adaptation or adjustment of the system, which is undesirable and not recognized (hidden). Besides, Merton also saw that it would not be able to accumulate positive functions and dysfunctions as it is impossible to determine whether functions are more than dysfunction or vice versa. This is because the problem is so complex and many subjective judgments are based on it that is not easily calculated or weighed. Unintended consequences include (1) functional consequences for a system, which are part of the latent function, (2) dysfunctional consequences for a system, which are part of the latent function, and (3) consequences that are not relevant to a system, so it does not affect functionally or dysfunctionally. This is in line with Bua (2015)’s study regarding the function of PT. Freeport Indonesia, which also uses Robert K. Merton’s structural functionalism analysis. The study found that building a harmonious relationship between the company and the local community is needed as a key to the company’s existence. However, in practice, there was still disharmony in the form of rejection from the local community. To overcome this, the company issued a policy in the form of funding with an amount of 1% of total gross income each year for the development of local communities in the Mimika Regency. The community development was implemented quite well through one of the institutions called Lembaga Pengembangan Masyarakat Amungme dan Kamoro (LPMAK), but the results were still not optimal.

Using the same theory, the Communication Forum on the CSR program in this study is considered functional by the company, but not necessarily considered by the community as functional and can potentially be dysfunctional. The author uses Merton’s theory because the BROERI program as the Communication Forum is an organization that has a clear system. It was formed as an intermediary between the company and the local community in the implementation of the CSR program so that the BROERI program as a Communication Forum is functional in the manifest (manifest) and also hidden (latent), with minimal dysfunctional functions.
BANK ROENTAH INSPIRASI (BROERI) 
PROGRAM AT A GLANCE

Bank Roentah Inspirasi program or abbreviated as BROERI is one of the main activities of the Rumah Inspirasi Subang program fostered by CSR PT Pertamina EP Asset 3 Subang Field. This program focused on the environment and waste management issue. This program is located on RT 14 RW 10, Gang Panggung, Tegal Kalapa Block, Dangdeur Village. The BROERI Program embraced unemployed marginal youths some of whom they were dropping out of school, and former drug users in the Dangdeur Village to be involved in administering the program. The establishment of the BROERI program on January 29, 2016, at the same time, formed the management of the program, namely YB as the Home Inspector Manager and AS as the Assistant Manager of BROERI.

The main activity of BROERI was waste saving carried out every Monday to Friday (09.00-16.00 WIB). Not only contribute to waste management issues, the company through the BROERI program also provides training so that managers become skilled and knowledgeable in waste management. The training was conducted with the roadshow method (the management comes to the location of the trainees) or safari (the trainees come directly to the program site). The core material of this training was how to manage waste properly to create a clean environment. The roadshow and safari activities of BROERI through Rumah Inspirasi Subang were given to schools, PKK groups, and village governments who had been involved from the beginning in the BROERI program.

Figure 2. Production House of BROERI Program

Source: Author’s documentation 2018
In addition to the waste bank, BROERI also innovated integrated waste management. It aimed to create a zero waste lifestyle and provide benefits to the community. Waste management was packaged in the BROERI’s Cycle Process scheme. This process ensured that a little waste unused. For example, organic waste with a mixture of straw was converted into biogas through a biodigester. The waste / bioslurry was used as fertilizer, liquid fertilizer, and solid fertilizer for organic plants in Rumah Inspirasi Subang’s garden. This fertilizer was also sold to ornamental plants trader, fruit plants, and garden developers in the Subang Regency. Whereas plastic waste was processed using TRIPOD-4M tools. This tool served to heat plastic waste into alternative fuels using biogas. It is used as fuel for garbage vehicles and oil stoves. Other types of plastic and inorganic waste were sold to collectors or factories and processed into handicraft materials.

The company mandated the development and implementation of the BROERI program to the Community Development Officer (CDO) which was under the auspices of the Legal and Relations Division of PT Pertamina EP Asset 3 Subang Field. Their duties included regular and ongoing field assistance. The activities carried out starting from social mapping, program drafting, program socialization, program implementation, program monitoring, and evaluation. The CSR program was expected to be able to empower the community sustainably because it had been guided since the beginning. Besides, to support from the company, other stakeholders such as the Dangdeur Village Management and DLH Subang District provided 2 units of Becak Motor (Cator) transportation equipment. The vehicle assistance was in the form of borrow and use assistance to support the transportation of waste in the BROERI program.

Since it was initiated, the BROERI program had received appreciation from several parties such as the mass media and the government. The example of the award is being one of the monitoring sites for the 2017 Adipura assessment in the Subang Regency and the Green PROPER award in 2016 and 2017. Also, BROERI officials were often invited to participate in exhibitions, training, and celebrations of the Subang Regency anniversary (Evaluation Report of PT Pertamina EP Asset 3 Subang Field 2017).
CSR program of PT Pertamina EP Asset 3 Subang Field had a manifest function as a CD instrument. This function could be seen from several aspects, namely benefits, capacity development, sustainability (Prayogo 2013 & Rozi 2017). In this case, the BROERI program as one of its CSR programs was less than optimal in implementing CD-based CSR programs. This condition illustrated that PT Pertamina EP Asset 3 Subang Field had been less committed to carrying out business ethics to stakeholders, especially the local community as its main stakeholder.

The benefits of having a CSR program can be seen from aspects which include a CSR program useful in improving the conditions of recipient communities, the ability of the program to increase community access to meet other needs, and the ability of the program to raise local potential (Rozi 2017). In the BROERI program, some Dangdeur villagers felt that the program benefited them. This was observed from the existence of jobs from waste management so that it is sufficient to increase income from a previously unemployed person who had been worked at BROERI. Also, the program was able to apply the knowledge or skills (to other parties such as individuals, groups, or organizations) obtained in the community development program.

However, the income derived from waste management was declining. Based on the results of the PT Pertamina EP Asset 3 Subang Field CD program evaluation report (2017), the BROERI program administrator earned an average of Rp375,000 per month in 2015-2016. Then, the average income decreased to Rp350,000 per month in 2017. This was conveyed by an informant US that the activities in the BROERI program were not accompanied by an increase in income. Lack of promotion to increase sales of waste bank products were suspected to be a cause of reduced income and led to a decrease in community participation in the program.

Another benefit was that the BROERI program made the Dangdeur Village environment cleaner. This indicated that the BROERI program was quite capable of raising local potential in the waste management issue. Informant US, one of the beneficiaries and also the administrator of the BROERI program, revealed that the BROERI program not only provided economic benefits but could also have a positive impact on the people of Dangdeur Village by reducing unemployment and
delinquency in adolescents to make the environment clean. But on the other hand, the existence of the BROERI program caused hindrance when the community found it difficult to balance between activities inside and outside of BROERI.

While for some people who were less knowledgeable about the BROERI program, it was seen as a less useful program and people tend to be skeptical. This was stated by informant N1 that in the BROERI program several people in Dangdeur Village supported and disapprove it. The disapproval from the community was caused by the lack of information which in turn made some people did not understand the existence of the program. The provocateurs also intended to frustrate the program and exacerbated the disapproval.

When associated with social change in the Dangdeur Village environment, some communities felt the benefits of CSR programs from infrastructure improvements, both from BROERI’s building become a place for people to carry out activities and the improvement of road access in the Dangdeur Village area. This shows that the BROERI program was sufficient to facilitate community activities. Unfortunately, it also sparked controversy because the BROERI program building was built on the private land of one of the villagers, not on the land bought by the company. As a result, some communities were reluctant to get involved in the program.

Furthermore, in the aspect of community capacity building, it could be seen from the increase in knowledge, expertise, skill, and organizational ability felt by the community due to CSR programs. However, the BROERI training program was not optimal to improve waste management capacity for some of the villagers. The training provided by the company did not affect apathetic villagers so that there were still people who litter. This was confirmed by informant N1, who said that there were still people throwing trash into the river because they did not understand the future environmental harm. Also, based on the results of the PT Pertamina EP Asset 3 Subang Field CD program evaluation report (2017), the BROERI program was less able to improve the expertise or skills of the local community and the ability of the organization/group of beneficiaries. Despite BROERI’s management development training and product development training provided by the company, the local community still felt they had not gained sufficient knowledge as working capital in the future. The informant VD, one of the beneficiaries and also the administrator of the BROERI
program, said that the BROERI program engenders the environmental and capacity building awareness, especially in public speaking, learning to dare to express opinions and be responsible. On the other hand, informant VD also revealed that she only received management training once as an administrator. The amount of training was still lacking to improve skills or expertise in integrated waste management.

Then, the success of CSR programs was also assessed in terms of sustainability. In this aspect, the sustainability of the CSR program was seen from the sustainability of the program without support or assistance from the company, and the CSR program encouraged the community to continue the program independently. As the company providing training to support the BROERI program, it also implicitly educates the beneficiaries to become an environmentally friendly person as the waste sorting and waste bank management training carried out continuously and continuously. This was confirmed by an informant YB who revealed that the training could become a provision for the sustainability of the program going forward. On the other hand, the beneficiaries and the local government were not ready if the BROERI program was independent of the company. They still needed assistance in funding and other immaterial assistance. Informant DI, a representative of the local government, expressed the fear that the program would not continue without the support from the company as the local government could not take over it. It happens because of regulations and budgets constraint.

The table below briefly explains the manifest function of the BROERI Program PT Pertamina EP Asset 3 Subang Field as a CD instrument described previously. Next, the author established a form of data categorization in evaluating the function of the manifest of the CD program in the BROERI Program regardless of the purpose of quantification so that the categorization of data that has been made is based on the meaning of previous research concepts. (Ife 2002; Prayogo 2013; Rozi 2017). Data categorization can be seen as follows:
Table 2. Data Categorization in Assessing Community Development Function

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Significance Function of Community Development</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit</td>
<td>Medium</td>
<td>• Most local people felt the benefits of the BROERI program.                                                                                          • BROERI’s program activities were quite capable of raising local potential in the environmental and waste management issue.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• However, there was a decrease in economic benefits felt by the community or beneficiaries coming from waste management activities.                                                                                  • There were some communities (as the opposition) who felt the BROERI program was less useful and tend to negatively view the implementation of the program because it is uninformed and not involved from the start in the BROERI program.</td>
</tr>
<tr>
<td>Capacity Development</td>
<td>Low</td>
<td>• The BROERI program was quite capable of increasing community knowledge related to waste management through training provided by the company.                                                                   • The amount/intensity of the training provided was insufficient for the community to be skilled in managing the BROERI program independently.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Some apathetic people did not participate in the training so that there were still people who litter.</td>
</tr>
<tr>
<td>Sustainability</td>
<td>Low</td>
<td>• The community as beneficiaries felt that the training provided by the company was insufficient to support the sustainability of the BROERI program.                                                       • Not all communities were ready if the company stop its assistance to the BROERI program.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• The local government was not ready to take over the BROERI program of local regulations and budgets constraint.</td>
</tr>
</tbody>
</table>

Source: Informant Interview Results 2018

Based on the data categorization in Table 2, it can be seen that there is a manifest function in the implementation of the BROERI Program of PT Pertamina EP Asset 3 Subang Field. The manifest function of the BROERI Program as a CD instrument could be seen from three aspects. First, the BROERI Program was quite functioning
in providing positive benefits and impacts for the people of Dangdeur Village. Second, the BROERI Program was quite capable of raising local potential in the environmental field, namely, waste management. And third, the BROERI Program was sufficient to function as a means of organizational training and waste management for the community.

The implementation of the CSR program was still not optimal because of the factors hampering the progress of CSR programs based on community development in Dangdeur Village. These factors were some villagers who did not feel the benefits or positive impact of the program, some villagers who are apathetic towards the program, decreased economic benefits such as decreasing the level of income from the program, lack of periodic skills training, and the communities and the local government were not ready to take over the program independently.

LATENT FUNCTION OF CSR PROGRAM AS COMMUNITY RELATION INSTRUMENT

Explicitly, CSR program PT Pertamina EP Asset 3 Subang Field had a manifest function through CD-based programs. But on the other hand, it implicitly had a latent function as a forum for communication and negotiation between the company and local stakeholders. This communication forum has the aim to build a corporate image by maintaining good relations with the local community (Doorley & Garcia 2007; Putra 2013). In other words, this CR-based CSR program functions to build relationships with communities and other local stakeholders (Kemp & Owen 2013; Zhang & Moffat 2013; Kemp et al 2011; Boutilier et al 2011).

From the figure 2, it can be seen that between the company and the community and local government as other significant stakeholders have their respective roles in interacting (communication) and negotiating in building relationships. In the implementation of the BROERI program, several parties were involved such as PT Pertamina EP Asset 3 Subang Field CSR staff and CDO representing the company, BROERI program administrators and other beneficiaries representing the local community, and Dangdeur Village and Environmental Service of Subang Regency (DLH) representing local government. On the company side, CSR staff of PT Pertamina EP Asset 3 Subang Field had a role in socializing Rumah Inspirasi Subang, and coordinating with
stakeholders, conducting mentoring and routine meetings, monitoring, and evaluating programs and providing facilities related to training for management and beneficiaries. While the PT Pertamina EP Asset 3 Subang Field CDO also had the same role as CSR staff, the more intensive field activities such as directly managing activities in BROERI and carrying out related program training were compulsory. On the local community part, the BROERI program administrator had a role in conducting the socialization and coordination with stakeholders; managing activities directly; and running training programs. Whereas the beneficiaries and the core administrators of the BROERI program played a role in carrying out the entire set of program activities, both attending training and participating in managing the activities. The management of Dangdeur Village and DLH Subang Regency as the regional government had a role in supervising, guiding the program and providing transportation facilities (*Becak Motor/Cator*).

Figure 3. The Roles between stakeholders in BROERI Program

Source: Informant Interview Results (processed by the author)
From the description above it can be seen that the parties have built good relations to prevent conflict through the synergy of their respective roles. According to (Coldliffe 2014 & Ismail 2009), these good relations were also built through a negotiation process to resolve the problem and bring up mutual agreement through the CSR program. In the formation of the BROERI Program, the company, the local community, and the local government participated in the negotiations. This was reflected in the planning process to the implementation of the BROERI program which involved the community and other local stakeholders. However, community involvement at the planning stage was only limited to deliberation on problems and local potential, not formulating, and determining programs that are appropriate to their conditions and aspirations. The company provided recommendations that would be determined by itself after obtaining approval from the community.

Refers to the form of negotiation put forward by Fisher and Ury (in Coldliffe 2014), I considered that the form of negotiation that had been carried out in the BROERI Program is soft negotiation. The negotiation process in implementing the program greatly avoided personal conflicts and made many agreements. This could be seen in programs formed through joint deliberations and social mapping. The goal was the CSR program implemented is truly suitable and appropriate to the needs of the local community to achieve social welfare.

Furthermore, in the BROERI program, the relationships that exist between the company with the community and other local stakeholders were not optimal. This condition resulted in the relationships formed only at the point of acceptance. In other words, the relationship or integration between the company and stakeholders exists, however it was weak. The weak relationship was due to the lack of support from the entire community of Dangdeur Village in implementing the program. This could be seen from several aspects such as recognition, contact or communication, cooperation, and community participation in the program (Prayogo 2013; Rozi 2017; Calvano 2007; Kemp et al 2011).

Community recognition of the company leads to knowledge of the activities carried out by the company, both business and social performance (Calvano 2007). At PT Pertamina EP Asset 3 Subang Field, Dangdeur Village’s public knowledge of the company was limited to the recognition of the existence of the mine and the existence of the BROERI program on private land so that not all communities were involved in BROERI’s program activities. Informant N2, one of
the beneficiaries of the BROERI program, said that there were pros and cons to the BROERI program. For those who disapproved of the program, they did not understand the importance of the BROERI program in environmental matters.

In the aspect of contact or communication between the company and the community and other local stakeholders observed from the presence of contact (interaction) and communication, as well as the frequency of contact (interaction) or communication between the company with the community and other local stakeholders. BROERI Program of PT Pertamina EP Asset 3 Subang Field showed the intensity of communication between the company and the community of Dangdeur Village through regular weekly meetings so that the BROERI program administrators can interact and communicate about issues that develop during program activities. This was confirmed by informant VD who stated that there were regular internal meetings held every Friday and external meetings held tentatively depending on the large BROERI program activities such as the Rumah Inspirasi Subang festival, media visits, monitoring or visits from the headquarters of PT Pertamina EP, and so on. However, to improve the sustainability of the program, the company through the Community Development Officer (CDO) reduces the intensity of communication and visits to support the independence and sustainability of the program if the company no longer assists the program.

In a follow-up study, the form of cooperation established between PT Pertamina EP Asset 3 Subang Field and the community of Dangdeur Village had not succeeded in embracing the local community as its main stakeholder as a whole because the program was felt by the community to be uneven and fair and some communities did not feel involved, even though the company had realized that several CSR programs act as good faith to build relationships with local communities. People who felt the sentiment became the opposition because they did not feel the benefits of the program.

In the aspect of community participation, Prayogo (2011) argues that community participation is a form of support given to the company both in formulating, implementing, and improving existing programs. This aspect is different from cooperation because it emphasizes more from the side of the community and the extent to which they are involved or want to be involved in CSR programs. Therefore, this aspect becomes
important because community participation can illustrate how the community evaluates the mechanism or form of CSR programs.

In the context of the BROERI Program of PT Pertamina EP Asset 3 Subang Field, the CSR program realized by the company was the result of social mapping and mutual consultation between the company and local stakeholders. This showed that PT Pertamina EP Asset 3 Subang Field in implementing the program was a partial bottom-up measure. It means, the community and other local stakeholders have been involved and participated in the planning process, even though the community cannot formulate the program according to their aspirations. The informant DS, as the CDO of PT Pertamina EP Asset 3 Subang Field, emphasized that in the process of pioneering the BROERI program, the CDO had the role of offering the program to the community after joint consultation with the people of Dangdeur Village.

The table below briefly describes the latent function of the BROERI Program of PT Pertamina EP Asset 3 Subang Field as a CR instrument previously described. Next, the author established a form of data categorization in assessing the latent function of the community relation program in the BROERI Program, regardless of the purpose of quantification. This is because the categorization of data that has been made is based on the meaning of previous research concepts (Prayogo 2013; Rozi 2017; Calvano 2007; Kemp at al 2011), as follows:

Table 3. Data Categorization in Assessing Community Relation Function

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Significance Function of Community Relation</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognition</td>
<td>Medium</td>
<td>• In general, the company had not yet received full recognition from all levels of the local community.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Some people felt that they had not yet benefited from the company</td>
</tr>
<tr>
<td>Contact/Communication</td>
<td>High</td>
<td>• There was an intensity of communication between the company and the local community through regular weekly meetings.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Communication between local stakeholders in the program was established through social media, the WhatsApp group</td>
</tr>
<tr>
<td>Aspect</td>
<td>Function of Community Relation</td>
<td>Information</td>
</tr>
<tr>
<td>------------------------------</td>
<td>--------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Cooperation</td>
<td>Low</td>
<td>• CSR activities did not involve the entire community.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Cooperation relations only occurred with the beneficiaries who were involved in the program from the start</td>
</tr>
<tr>
<td>Society participation</td>
<td>Medium</td>
<td>• CSR programs tended to be bottom-up because the community and other local stakeholders had been involved and participated in the planning process, although it was still the company that formulates and determines the right program.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• At this time, the program that was realized has led to the CD.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• = Community or beneficiary participation tends to decrease because some of them decide to leave or are not active. This is due to the low income earned in the program</td>
</tr>
</tbody>
</table>

Source: Informant Interview Results 2018

Based on the data categorization in Table 3, along with the description previously described above, it can be seen that there is a latent function in the implementation of the BROERI Program of PT Pertamina EP Asset 3 Subang Field. Relations between the company with the community and other local stakeholders were less than optimal and only limited to the point of acceptance because the support of the entire community of Dangdeur Village was still lacking. In this case, it was found that the BROERI Program functioned latently as a medium for communication and negotiation with company stakeholders. This function was observed from the intensity of communication between the company and the people of Dangdeur Village through regular weekly meetings or gathering. Also, communication between local stakeholders in the BROERI program was established through social media, namely groups on the Whatsapp application. Through social media, both the management and the company could interact related to the implementation of activities in the BROERI Program in real-time. Therefore, the indirect function of the BROERI Program was as a medium of communication and negotiation between the company
and its local communities. The following were excerpts from interviews from informant VD relating to the functions of the BROERI Program.

“An internal meeting is held weekly on Friday, attended 7 or 5 peoples from BROERI if SARI can reach 20 peoples. At the internal meeting, everyone except Kang Asep, who was busy taking care of his gelatin lately. Then also the WA group (WhatsApp) with Mba Denis and other CDOs are made, for us to contact each other if we don’t meet directly” (Informant VD, February 22, 2018).

The quote above shows that there was quite intensive communication between the company and the local community as its main stakeholder. The effectiveness of communication through social media was quite useful for them to interact and can establish relationships between the company and the BROERI Program.

DUALITY OF COMMUNITY DEVELOPMENT AND COMMUNITY RELATION FUNCTION IN BROERI PROGRAM

In its development, the company has the objectives and functions of CSR practices. One goal is to establish a social relationship between the company and local stakeholders (Kemp & Owen 2013; Zhang & Moffat 2013; Kemp et al 2011). This is in line with Prayogo’s study (2013) that CSR is when companies must create prosperity in society, while simultaneously building mutually supportive relationships between companies and local communities. The purpose of CSR activities is to carry out business ethics commitments to its stakeholders. It is important to be done by oil and gas companies that explore nature through the implementation of CSR programs. The company also has an interest in getting benefits from implementing CSR programs. Therefore, we should ideally not only see CSR programs from the benefits to the welfare of the community but also understands that the company is trying to build a good image of every CSR program implementation. Hence, the purpose is to achieve maximum CSR program results which provide benefits towards the community and the company alike, and also minimize the cost of conflict (Kharisma 2015; Davis & Frank 2011).

BROERI Program of PT Pertamina EP Asset 3 Subang Field had a manifest function as a CD instrument and latent function as a CR
instrument. The manifest function of the BROERI program could be observed through aspects of CD-based programs such as program benefits, capacity development, and sustainability of the program (Ife 2002; Prayogo 2013; Rozi 2017). While the latent function of the BROERI program could be seen from aspects of CR-based programs such as recognition, contact/communication, collaboration, and community participation (Calvano 2007; Kemp et al 2011; Prayogo 2013; Rozi 2017). Broadly speaking, the BROERI program had a manifest function which is also reflected in the following company CD policies.

Committed to the process of community development proportionally by focusing on the field of society (people), economy (profit) and the environment (planet) aims to create sustainable community welfare and independence and integrated with the vision and mission of PT Pertamina EP Asset 3 Subang Field (Kebijakan Community Development PT Pertamina EP Asset 3 Subang Field 2017).

From this policy, the company used CDs as instruments in the implementation of their CSR programs. Referring to Merton (in Ritzer 2008), manifestly the company has made adjustments to the desired system or deliberately made a CD-based CSR policy as a guide to achieving social order. However, the implementation of the BROERI Program was not optimal in forming CDs in Dangdeur Village. This could be seen from the existence of local communities who did not feel the benefits or positive impacts of the program, some Dangdeur villager who was apathetic towards the program, a decline in economic benefits as reflected by a decrease in the level of income from the program, the lack of regular skills training, and local communities and local government who were not ready to take over the program independently from the company. In the CD study, the ideal goal of CSR is to develop the human resource capacity of local stakeholders towards independence and sustainability (Ife 2002; Ismail 2009; Asumah 2015; Wopara 2015; Rudito dan Budimanta 2003; Bowen 1953; Elkington 1997). However, this independence and sustainability were not found in the BROERI program while the program was explicitly directed to the manifest function through its CD program. Furthermore, the company had implicitly committed to building relationships with the community through its CD policy: “Involving the stakeholders at the stages of the Community Development program that is run to create a synergistic relationship between the company and the community to realize an
From this policy, it could be seen that the company implicitly makes CR as an instrument in the implementation of its CSR programs. According to Merton (in Ritzer 2008), the company has latently made unwanted or hidden system adjustments in the CR function in CSR policies as a guide to achieving social order. However, in the implementation of the BROERI Program of PT Pertamina EP Asset 3 Subang Field, it was found that the formation of relations between stakeholders was not optimal and limited to the point of acceptance. This was because the CD program implemented by the company was merely a formality to pursue the PROPER award. Moreover, PT Pertamina EP Asset 3 Subang Field was a “Footloose Industry” company in which the company is bound by a certain location. Only in locations where there is potential for oil and gas could a mining company be established and could not be moved. Therefore, maintaining relationships for the existence of oil and gas companies is crucial. This concept is in accordance with CR studies that show the importance of the objectives and functions of CSR programs in building relationships with communities and other local stakeholders. Moreover, extractive companies and their local communities are entities with their respective interests. So that CSR plays an important role in fulfilling social expectations which results in good social integration between the two parties (Kemp dan Owen 2013; Zhang & Moffat 2013; Kemp et al 2011; Boutilier et al 2011; Freeman 1984).

Furthermore, according to Merton in Ritzer (2008), functional and dysfunctional conditions have a mutually influencing relationship. Conditions that can be said to be functional also differ in each community so that functional things can turn out to be dysfunctional in other communities. This condition is also found in the BROERI program which had a manifest function through the CD instrument as well as having a latent function through its CR instrument. Although the two functions are running simultaneously, the BROERI program was dysfunctional because both the CD and CR instruments on the BROERI program were not optimal in the non-fulfillment of aspects of the instrument.

Apart from the suboptimal function of the BROERI program, it could be observed that there was a manifest function on the CD program and latent functions on the CR program. The CD and CR
based programs formed the duality of functions in the BROERI program because the two program bases were interconnected and implicated each other. Behind the design in which explicitly directed to the manifest function (CD), the CSR program also had a latent function that was crucial as a medium of communication and negotiation with company stakeholders (CR). This duality could not be separated to form an independent and sustainable CSR program and minimize conflicts between the company and local stakeholders. In other words, the implementation of CSR programs was crucial to see the full function of CDs and CRs in optimizing CSR programs itself.

CONCLUSION

The above evidence shows that CSR programs based on CD and CR are interrelated and implicating each other. In this case, the BROERI Program of PT Pertamina EP Asset 3 Subang Field had a duality of function. First, the manifest function was explicitly observed from the CD programs. Second, the latent function that was implicitly observed from the relations (CR) that was interwoven in the Communication Forum as a forum for communication and negotiation between the company and its stakeholders that was bundled in the BROERI Program.

In its implementation, the CD and CR-based programs in the BROERI program were not optimal. The CD-based program was not optimally showed by the decline in benefits felt by the community, lack of knowledge of the program felt by the community, and the inability of the community and other local stakeholders to manage the program independently/without company assistance. The CR was not optimal as observed from the lack of support from the entire community of Dangdeur Village, the uneven distribution of CSR programs, the contraction of community participation, and companies that were regarded as too ambitious in chasing PROPER awards.

Relationships between the company and the community and other local stakeholders in the BROERI program were at the point of acceptance. This condition illustrated the weak relations or integration between actors in the BROERI program. The formation of this weak relationship was observed from the lack of community recognition towards the company, unequal cooperation in the implementation of CSR programs, and the limited space for people to participate.
This illustrates that there was a dissociative relationship in the CSR program. As an oil and gas company, building good relations between local stakeholders is very important. In building this relationship, it can take the form of participatory planning, intense socialization to the community, recognition of the importance of the program, monitoring, and evaluation of the company.

The company needs to build good relations between local stakeholders. The CR function must be an evaluation of the CSR performance of the oil and gas company. The assessment must be carried out with a balanced weight together to the function of the CD to achieve an optimal CSR program because the key to building a CD is to build an associative or functional CR.

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