

## CORPORATE SOCIAL RESPONSIBILITY CASE STUDY GERAKAN MENABUNG POHON

Elisa Ermasari and Bambang Rudito  
School of Business and Management  
Institut Teknologi Bandung, Indonesia  
elisa.ermasari@sbm-itb.ac.id

**Abstract-** Indonesia is one of the countries that have the largest number of forest in the world. Indonesia had previously been named by the United Nations to be one of the largest oxygen producing countries in the world and into the lungs of the world. But now Indonesia has lost a lot of their forest. This was shown by the destruction of forests across Indonesia, and make Indonesia as one of the countries that has the fastest deforestation in the world. Global warming is one of the major problems that must be faced by all people in the world. Therefore PT. Pertamina seeks to find solutions to these problems and create a CSR (Corporate Social Responsibility) that aims to reduce the effects from global warming that has been faced by the world residents. Corporate social responsibility program from PT. Pertamina. This program is aimed to reduce the effects of global warming and want to improve the welfare of the people in East Lombok to check this program has been running smoothly or not, The author will analyze the relationship between each of the parties involved in implementing the "Gerakan Menabung Pohon" in Lombok Timur to see if the program has been able to show any results for the environment and local communities. To achieve the above objectives, the authors will use several independent theories literally community development, sustainable development, corporate social responsibility, and theoretical effectiveness of CSR programs to the community and the environment. And to get the results of this project the author uses a methodology, design research problem identification, data collection, data analysis and conclusions. And the result from this project is, the movements to plant 100 million trees by PT. Pertamina has contributed in reforestation in Indonesia and improve the welfare of the people. With this program, PT Pertamina already employs approximately 7200 farmers in the Lombok Timur.

**Keywords:** global warming, go green, penghijauan di Indonesia, corporate social responsibility, gerakan menabung pohon, case study.

### Introduction

One of the biggest problems that this world is facing is the global warming. Global warming is a phenomenon that happens as a result of the rise of atmospheric temperature, sea surface temperature, along with the land surface temperature. This causes a 0.18 Å°C rise in the earth's surface temperature in the last century. The temperature rise is caused by the concentration of greenhouse gases that is produced by human activities. Long ago Indonesia was a country that has the responsibility of being 'the lungs of the world' – but ironically now Indonesia is one of the countries with highest deforestation numbers.

One of the biggest reasons why is based on economic factors. The data obtained from [http://www.academia.edu/5999057/Potret\\_Hutan\\_Indonesia\\_Greenpeace](http://www.academia.edu/5999057/Potret_Hutan_Indonesia_Greenpeace) That is why Indonesia is supposed to defend its forest areas for everyone's good, so to restore the status of Indonesia as the

lungs of the world, hard work from every party possible is needed, including the people themselves. From now on the people of Indonesia must place more attention on their own natural environments, one of the earlier steps that can be done is to replant trees for the next generation of the people of the world. Long ago Indonesia was a country that has the responsibility of being 'the lungs of the world' – but ironically now Indonesia is one of the countries with highest deforestation. One of the biggest reasons why, is because of economic factors. The data is based from [www.academia.edu](http://www.academia.edu).

This is why Indonesia is supposed to defend their forest areas for everyone's good to restore the title of Indonesia as the lungs of the world. Every single effort from every party possible is needed, including Indonesia citizen themselves. From now on, the people of Indonesia must take more attention on their own natural environments; one of the early step that can be done is to replant trees for the next generation citizen of the world.

#### Problem Identification

CSR PT. Pertamina that already applied by PT. Pertamina such as reforestation in Lombok Timur can identified as a good work, beside keep the forest for handling global warming also this program can bring the people economic condition increasingly.

1. How does the PT. Pertamina CSR Gerakan Menabung Pohon program work?
2. What is the main goal of the PT. Pertamina CSR Gerakan Menabung Pohon program in Lombok Timur?
3. Is there any constraints met during the aforementioned PT. Pertamina CSR Gerakan Menabung Pohon program?
4. How does the PT. Pertamina CSR 100 Juta Pohon Relawan Gerakan Menabung Pohon program affect the people of Lombok Timur?

#### Scopes and Limitation

In this research, the writer is going to focus only on the Gerakan Menabung Pohon program in Lombok Timur. The time span to observe the program is from January 2014 to July 2014.

This are the method that is going to be used is to focus on secondary data, and by the methodology that I use is qualitative approach by using some informants from Lombok, who are lived around the Pertamina project site. From the data that I've been collected, I can analyze what are the problem that been face around community and related to the program.

Some people that have been chosen for the interview are given some interview guides. Beside, my interview also became the representative of the people of Lombok Timur.

#### Company Profile

As a state-owned company to carry out integrated business core in oil, gas, renewable and new energy based on strong commercial principles both inside and outside the country, PT. Pertamina strives to provide the best and a real contribution to the welfare of the nation in utilizing every potential of Indonesia.

Improvements and innovations in all operations, as demanded by global conditions, are some of PT. Pertamina commitments in fulfilling its strategic role in the national economy. The currently proclaimed Renewable Spirit is one proof of PT. Pertamina commitment in creating alternatives in providing more efficient energy sources which are sustainable and environmentally sound. Given initiatives in harnessing resources and potentials for new and renewable energy sources in addition to its main business, PT. Pertamina has moved forward steadily to actualize its Vision of Becoming a World Class National Energy Company.

## CSR (Corporate Social Responsibility Advantages) Vision Mission

Vision of PT. Pertamina:

First step towards a better life.

Mission of PT. Pertamina:

- Implement corporate commitment over the Social and Environmental Responsibility (TJSL), which will provide added value to all stakeholders to support the company's growth.
- Implement corporate responsibility and social concern for a sustainable community development.

Vision of Pertamina Foundation:

To be the foundation that empower community to reach greener and Indonesia better.

Mission of Pertamina Foundation:

- To build and to develop life model, which is cultured and environmental friendly at school, corporation, and community.
- To spread a life that cultured and environmental friendly through social networking, with learning principle, sharing, and move together.
- To empower community to reach education level, culture, and economics that is higher through environ friendly program.

## Social and Environmental Responsibility

According to the provisions, fund for CSR activities is to be set aside from the Government portion of the Company's net income, while financing for CSR program shall be included the Company's budget.

## Program Type

There are 3 types of corporate social responsibility program, which is:

- Community Empowerment: Process of enabling communities to increase control over their lives (become more independent and sustain). Example: training, provide work, etc.
- Community Services: A service that performed for the benefit of the public or its institutions. Example: Building a mosque or school
- Community Relation: Establishing and maintaining a mutually beneficial relationship with the societies in which they operate. Example: Doing charity or auction.

## Corporate Social Responsibility Theoretical Foundation

### Stakeholder definition

Corporate has a set of interests to achieve a certain goal based on its activity - corporate will have links with investors, employees, applicants, suppliers, local community, and society. Moreover, the term stakeholder refers to individuals or groups who can affect or are affected by corporate activities (Ann, 1998; World Business Council for Sustainable Development, 2002).

### Concept and Definition

Corporate social responsibility is an important process in the arrangements of the costs and benefits of business activities from both internal stakeholders (employees, shareholders, and investors) and external stakeholders (public institutional settings, community members, civil society groups, and other companies). Thus, corporate social responsibility is not only limited to the concept of a donor's gift, but the concept is very broad and is not static and passive, which is only released from the company, but instead, the rights and obligations shared between stakeholders.

According to Blowfield and Murray (2008, p.21), as taken from Carroll (1979), company CSR activities can be classified into the following four groups: Economic responsibility. The responsibility of private entities of offering products and services to the marketplace according to the needs of

society in order to make a profit.

- Legal responsibility. Companies have to operate within the boundaries of law in order to achieve their aims and objectives.
- Ethical responsibility. Ethical responsibilities of businesses include the types of responsibilities that are important, but at the same time they are not covered by law e.g. fair-trade.
- Discretionary responsibilities. Company responsibilities in this form, like philanthropy initiatives are not necessarily expected by societies, but they are usually welcomed by societies and create positive image for the business.

#### Stakeholder Definition

Corporate has a set of interests to achieve a certain goal based on its activity - corporate will have links with investors, employees, applicants, suppliers, local community, and society.

Moreover, the term stakeholder refers to individuals or groups who can affect or are affected by corporate activities (Ann, 1998; World Business Council for Sustainable Development, 2002). Refers to its original meaning, stakeholder means a person or organization that have parts and interest on corporate.

Legal Law CSR PT. Pertamina

Pasal 47 Undang-Undang Perseroan

Terbatas No. 40 Tahun 2007, yaitu:

- Perseroan yang menjalankan kegiatan usaha- nya di bidang dan/atau bersangkutan dengan sumber daya alam wajib melaksanakan tanggung jawab sosial dan lingkungan.
- Tanggung jawab sosial dan lingkungan merupakan kewajiban perseroan yang dianggarkan dan diperhitungkan sebagai biaya perseroan yang pelaksanaannya dilakukan dengan memperhatikan kepatutan dan kewajaran.
- Perseroan yang tidak melaksanakan kewajiban- an dikenakan sanksi sesuai dengan ketentuan peraturan perundang-undangan.
- Surat Edaran Menteri Negara BUMN Nomor SE-21/MBU/2008 menyebutkan: Tanggung Jawab Sosial dan Lingkungan (TJSL) diwajibkan kepada BUMN yang kegiatan usahanya di bidang sumber daya alam, atau kegiatan usahanya berdampak pada fungsi kemampuan sumber daya alam. Walaupun BUMN di bidang lain pun dapat saja melaksanakan TJSL.
- Pasal 88 UU No. 19 Tahun 2003 tentang BUMN menyebutkan BUMN dapat menyisihkan sebagian laba bersihnya untuk keperluan pembinaan usaha kecil/koperasi serta pembinaan masyarakat sekitar BUMN.
- Surat Keputusan Direktur Utama No. Kpts-40/C00000/2008-SO tanggal 14 Agustus dan Kpts-42/C00000/2008-SO tanggal 12 Agustus 2008 tentang Pemberlakuan Organisasi Corporate Social Responsibility (CSR)

Source: Report Pertamina Foundation

Legal Law Foundation of Corporate Social Responsibility (CSR) and Program Kemitraan dan Bina Lingkungan (PKBL) in Indonesia

- Undang-undang No. 28 tahun 2004 tentang Perubahan atas Undang-undang No. 16 tahun 2001 tentang Yayasan
- Peraturan Pemerintah No. 2 tahun 2013, tentang perubahan atas Peraturan Pemerintah No. 63 tahun 2008 tentang Pelaksanaan Undang-undang Yayasan.
- Pedoman Tata Kelola, Sistem Tata Kerja dan Tata Kerja Organisasi yang berlaku pada Pertamina Foundation;
- Standar Operating Procedure Menabung Pohon Pertamina Foundation tahun 2012;
- Ketentuan lainnya yang terkait dengan Program Tabung Pohon konsep Pertamina Foundation

CSR Programs Effectiveness Indicator

- There are some criteria to determine whether a CSR Programs are effective or not, which are:

- Whether the activities / programs conducted are in accordance with the predetermined plan or not
- The program impacts are real and have empowered the society / participants.
- The CSR Program is sustainable and can be considered independent.

Community development as a process where community members come together to take collective action and generate solutions to common problems. It is a broad term given to the practices of civic leaders, activists, involved citizens and professionals to improve various aspects of communities, typically aiming to build stronger and more resilient local communities. (Wikipedia.org)

#### Sustainable Development

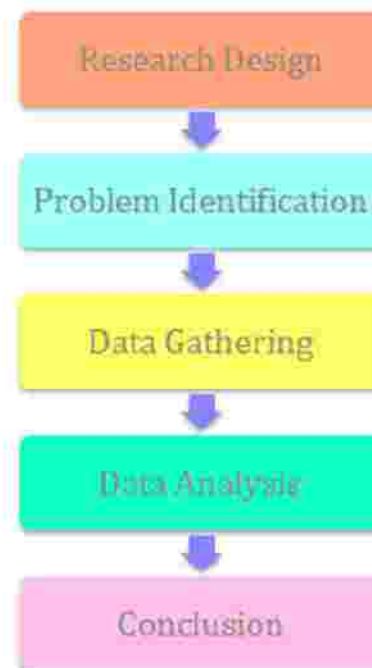
Sustainable development is an organizing principle for human life on a finite planet. It posits a desirable future state for human societies in which living conditions and resource-use meet human needs without undermining the sustainability of natural systems and the environment, so that future generations may also have their needs met. (Wikipedia.org)

#### Methodology of Process Data

Author uses one methodology to process the data, which is qualitative method. These methods use interview, in-depth interview, and structured interview to PT. Pertamina with related division to the program of 100-million-replanting. The author will also interview 100-million-replanting program participant using open-ended question system (Bambang Rudito, 2012). The objective of these methods is to analyze and answer the.

#### Research Design

Research Design about the steps of how the research is conducted. The methodology is consists of gathering data method, research design, data gathering, data analysis method and conclusion. Below is the methodology structure for this research:



### Research design

The first step that has to be done when doing a research is to build research design. Research design is a detailed overview about each step and illustration about what writer do from the beginning of the thesis until the end. Research design created as a guideline to be followed by writer in order to achieve the report objectives. In this thesis, the research design is formed as follow

### Data Analysis

After data collection, those data need to be analyze in order to get result that can sole the research problems. This are those step that will be done in order to analyze data. To analyze and to evaluate the execution of the PT. Pertamina CSR program.

### Conclusion

This chapter presents the summary of the Authors discussion and highlight lessons learned from the case. This chapter also consist the recommendation for the PT. Pertamina CSR Program Division to make a better system in this community development program in the future.

The CSR division of PT Pertamina is giving some of their fund to Pertamina Foundation to execute social and environmental responsibilities to Pertamina Foundation. Pertamina Foundation has a program that focuses on environmental and educational issues that we are currently having in Indonesia as a counter-act of what the industries of PT Pertamina has done.

In educational sector, Pertamina Foundation has the sobat bumi scholarship program, sobat bumi school, and Pertamina soccer. And in the environmental sector, Pertamina Foundation focuses on tree-planting program. The program itself goes as:

-Pertamina Foundation makes an announcement to all willing Indonesian people to become volunteers of the plantation program. This is done via websites, namely [twitgreen\(dot\)com](http://twitgreen(dot)com), and [sobatbumi\(dot\)com](http://sobatbumi(dot)com).

Then the next step is for the volunteers to create an account at [twitgreen](http://twitgreen), after this step is complete, the account shall list a status.

This part is how the volunteers present the 1<sup>st</sup> and 2<sup>nd</sup> stage that they will do as a volunteer. The fund that are given by PF is 2.500 rupiahs for every tree seed. A further description of it is: 2.100 goes to the volunteers, 150 goes to [twitgreen](http://twitgreen), 150 to the verifiers, and 100 to the operational from PF.

The main objectives of PT Pertamina in doing this CSR replantation program are:

- To produce oxygen as to compensate for the output of the industrial works of PT Pertamina.
- To improve the welfare of the people, as well as the environment, via the program of management of eco-friendly forests.
- To sustain the living environment of human, animals, and plants.
- To maintain natural stability, as the trees are able to conserve water. It prevents erosion and can be used as a reservoir for living beings.

Although not very high in number because the program itself is a new program, the constraints that PF are currently facing are:

- Volunteers. Internal conflicts between volunteers are supposed to be kept at internal level but yet some are reported to the higher-ups of PF, so in the end PF had to take care of such things.  
Example, a more dominant volunteer demands more payoff than other. Which s/he deserves, because the volunteer dared to invest more . But then the volunteers around him , gaining knowledge of his increase in payoff, ends up demanding more as well.
- Verifiers. PF are facing a difficulty in finding a committed verifier because verifiers are paid based on the amounts of the trees planted. Many violations and frauds are done at stage 1 where the amount of the trees are manipulated.
- [Twitgreen](http://twitgreen). Writings of documents at [Twitgreen](http://twitgreen)'s account often have mistakes, so revisions had to be done.

The advantages that people of Lombok Timur will gain are:

- Eradicating poverty
- Improving work ethic
- Decreases unemployment
- Helps saving the nature.
- People are educated to generate money from planting trees.
- Improves quality of life.
- Manage a barren land by planting there. Usually the farmers don't have enough money to do so which then the fundings come in handy for them.
- Can help the income of families, because they will get 70% of the profit of the tree plantation program.

PT Pertamina is the company that works in the oil and gas sector, the only one in which that is state-owned. PT Pertamina has helped the government and in a larger scale, the world to increase the number of trees to counter-act the effects of global warming which is being feared now around the world. The aforementioned act is done by a replantation / reforestation program. This program has been done all over Indonesia, one of them being in East Lombok. In executing this reforestation program, some problems were encountered.

In this research, the writer finds that the Program Gerakan Menabung Pohon (Tree-Saving Program) in East Lombok gives big and positive effect to the people of East Lombok, Indonesia, and even the whole world. This is because PT Pertamina gives a contract to execute its program which is a 100-million tree reforestation program in East Lombok. The program is done in stages which is then monitored by PT Pertamina to determine if the program is working successfully, or not.

This program is helped by volunteers who are aware of the environment that they are living in. The main goal of this program is to improve the welfare of the people of East Lombok and to increase the number of forests in Indonesia as an environmental responsibility act of PT Pertamina.

From the interview with both the aforementioned sides, Pertamina Foundation of PT Pertamina and the people of East Lombok, Pertamina Foundation as the CSR representative of PT Pertamina has executed this program well and has tailored the program to Lombok people's needs. The volunteers, village chief, farmers, and a representative from people of East Lombok is highly in agreement that what Pertamina Foundation has done, being a CSR act of PT Pertamina, is something that the people need.

Not only for the environment that they are living in, but also as to increase their own welfare, because this program is also helping them in economical aspects. This is also agreed by almost all people of Lombok Timur who in majority work as farmers.

Pertamina Foundation also has done a survey in East Lombok to see if the program suits the state that the place is in. And they also monitor if the program is executed as what the people need or if the program is only an obligated act of PT Pertamina's CSR.

What the writer can conclude is the lack of up-to-date technology to monitor the program periodically and the shortages of human resource have hindered the program. This is because the volunteers only amount to 55 people while the unattended, critical land in East Lombok is still very vast.

PF lacks in human resources, so monitoring this program is still very difficult because there are many regions to monitor in this program. Although, the program is for good reasons, which are to restore the natural environment and improve the welfare of East Lombok people.

Recommendation:

Judging from the problems encountered, the writer recommends several points that could be used to increase the effectiveness of the program, which are:

- To hire East Lombok people as volunteers in the 100-million tree replantation program.
- To hire more people in the Pertamina Foundation itself, so that the monitoring is more focused and less diverse so that the program would be monitored well periodically and be more likely to succeed. Usahakan program ini dilakukan didaerah lain, terutama didaerah yang dimana tempat industri PT. Pertamina itu dilangsungkan. Seperti pengeboran untuk mencari gas bumi dan sebagainya.
- To use photo geo-tagging in East Lombok, so that it prevents the verifiers to manipulate the data, for example to use the same photo of one tree as photos of trees from different regions. From the geo-tagging, the progress can be monitored and uploaded to twitgreen's website so the program can be done with transparency.

## References

- Report PERENCANAAN KERJA DAN ANGGARAN PERTAMINA FOUNDATION TAHUN 2014  
Report MENUPIK TUNAS PEMIMPIN MASA DEPAN  
Rudito, Bambang. 2008, Corporate Social Responsibility - Alternatif bagi Pembangunan, Jakarta, ICSD  
CSR – Corporate Social Responsibility by Bambang Rudito  
[http://id.wikipedia.org/wiki/Pemanasan\\_global](http://id.wikipedia.org/wiki/Pemanasan_global).  
[http://www.academia.edu/5999057/Potret\\_Hutan\\_Indonesia\\_Greenpeace](http://www.academia.edu/5999057/Potret_Hutan_Indonesia_Greenpeace)  
<http://www.pertamina.com/en/>  
(<http://research-methodology.net/classification-of-csr-activities/>)  
<http://twitgreen.com>  
[www.academia.edu](http://www.academia.edu).  
<http://heidithorne.hubpages.com/hub/Corporate-Social-Responsibility-Advantages>