



Institution Relation of Corporate Social Responsibility (CSR) Coal Mining Company in Empowerment of Horticulture Farmers

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Abstract

CSR has become an important part in the issue of sustainable development that has a lot of positive activities, especially in the areas of health, education and improving the welfare of the community in accordance with the main livelihoods. One of the main important livelihoods is the business of horticulture farmers who still need empowerment. Therefore, it is important to analyse the CSR relationship of coal companies by empowering horticulture farmers. Considering that coal companies still carry negative impacts on the environment and have not had a positive impact on improving the welfare of the community. In addition, an important part in the analysis of coal company responsibility for the environment and society is related to CSR institutions which in developing countries are still the cause of the success of CSR. The purpose of the research is to formulate the institutional relations of CSR of coal companies to empowerment horticulture farmers.

Keywords: CSR; institution; Empowerment; Farmers; Horticulture.

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1. Introduction

1.1. Background

The contribution of CSR to sustainable development in the past decade ranks as a priority [1]. CSR contributions as in ISO-26000 concerning Guidance on Social Responsibility are sustainable corporate activities in society and the environment, such as aspects of education, health, welfare and taking into account stakeholder expectations in accordance with national and international laws and norms. In the context of CSR as part of sustainable development, it is appropriate to connect coal mining companies on the one hand and agriculture on the other. Mining companies through CSR and agriculture can be directly related, for example, agricultural dependence on land / soil, water resources, and workers. Indirectly, mining companies can play a role in improving infrastructure, capital, marketing and agricultural training, support agricultural development [2]. CSR relation with the above horticultural agriculture still needs to be developed on the institutional aspects of CSR considering that CSR in other developing countries still has institutional weaknesses [3], for example in terms of CSR codes and norms, standardization, governance of CSR and the influence of cultural influences towards CSR that is different for each developing country [4].

1.2. Problem Formulation

What is the social relation of the Farmers Group's resources towards the empowerment of horticulture farmers - Shallot by CSR? What is the institutional relationship of CSR Coal mining companies in the empowerment of Horticulture Farmers - Shallots?

1.3. Objective

Analyzing the social relations of farmer group resources towards the empowerment of horticultural farmers - onion by CSR. Analyzing CSR institutional relations of coal mining companies in the empowerment of Horticulture Farmers – Shallots

1.4. Benefits

The benefits expected from this research are deepening and new conceptual enrichment, related to the CSR institutions of coal mining companies in the context of empowering horticulture farmers, especially in the coal mining field. Providing new conceptual to be applied for the management of CSR to empower agriculture. Besides that, it is expected to enrich the conceptual for the government in making policies on CSR.

2. Research Methodology

This qualitative research uses a type of case study that does not require researcher control and focuses on explaining the current situation by exploring data and analyzing it that is relevant to the research question [5]. This research was conducted in two stages, namely a 3-month preliminary study in 2015 and actual research from June 2018 to Januari 2019 in the locations of South Tapin District, Hatungun, Bungur, and Salam Babaris Sub-District in Tapin regency. The subject of this study was to obtain primary data, namely:

- a) Managers of CSR companies of Coal Mining companies namely Ansyari and M. Sedi as representatives of 6 CSR managers of coal mining companies.
- b) The management of 4 shallots farmers' groups: Suparlan, Razi, Amsoli, and Yazid Zakaria.
- c) Regional Government Officials of Tapin Regency: Head of Agriculture & Horticulture Office, Head of Integrated Investment and Services Service and Regional Secretariat for Development and Economy.
- d) Leadership of the Regional People's Representative Council (DPRD) of Tapin Regency: Deputy Chairperson, Sulaiman.

Secondary data are: Documents on Regional Regulations on CSR, Tapin Regency Decree concerning CSR Work Team, Photo Documents and CSR Forum Reports, Research Results and Site Content Related to CSR and Onion Agriculture, Written Documents of Onion Farmer Group Activities. Data validation and reability is done by the source and data triangulations method. Analissa data uses a model consisting of: 1) Data reduction; 2) Data presentation and 3) Conclusion or verification drawing of the prior to, during and after data collection. [6].

3. Result and Discussion

3.1. The social relations of the Farmers Group's resources towards the empowerment of horticulture farmers - Shallots by CSR

The concept of social relations according to some Sociologists that social relations are access and use of resources inherent in social solidarity networks and in groups of workers [7]. In this study the social relations of shallot farmer group resources are a set of normative provisions that are binding on shallot farmers so that they have similar interests to production, procurement of production facilities and infrastructure, and marketing of products that are associative or disassociative towards empowering horticultural farmers [8]. The concept of community empowerment includes criteria: 1. Management of decentralization 2. Avoiding gender bias 3. Building community participation 4. Increasing farmer's income 5. Respecting local knowledge 6. Using local resources 7. Growing awareness 8 Growing Collaboration.9 Building a sense of pride 10. Presence of locality with global connectivity [9,10] .

Based on the findings of this research data with the following description:1) Production Aspects : In the production process, shallots farmers do not do independent nurseries, farmer groups receive direct shallot seed assistance by CSR, so that in the production process farmers only plant, maintain and harvest all the shallot production processes carried out by all members of the farmer group. Production activities are dominated by men so that women are marginalized. In terms of community participation, it was quite high in the assistance and facilitation of CSR aimed at groups of farmers carrying red.CSR assistance and facilitation can increase farmers' income by 20-30%. The farmers feel pride with the CSR assistance that has been given, especially being able to make farmers get income other than rice farming.CSR uses farmers' knowledge in terms of counseling for farmers who have succeeded in terms of how to plant, maintain and overcome post-harvest failures. CSR also encourages cooperation between farmers, especially to obtain good shallot prices, which form export contracts abroad and in cooperation with farm groups in and outside the Tapin regency. 2) Production

Facilities and Infrastructure Aspects: The farmer group procure agricultural equipment, irrigation, information networks, labor and agricultural counseling, except for the provision of storage warehouses. CSR provides assistance for seeds, fertilizers, and medicines for farmer groups. Management of production infrastructure in supporting shallot production activities, either independently or from government assistance and CSR. Similarly, warehouses drying aid from CSR can be used by onion farmers to store crops in a drying warehouse. The knowledge and experience of farmers in using infrastructure supporting the production of shallots are still lacking because farmers here are not familiar with shallot farming. Counseling provided by CSR has been very helpful for increasing human resources in supporting activities for shallot production in Tapin Regency. 3). Production Marketing: The yield of shallots produced by farmers in Tapin Regency is marketed by the farmers themselves and the collectors of shallots but CSR helps provide the machine to produce post-harvest in the form of shallots packaged fried shallots.

3.2. CSR institutional relations of coal mining companies in the Empowerment of Horticulture Farmers – Shallots

The definition of institutions in this research is a space of interaction and activity as well as the use of various resources as well as providing stability and giving meaning to social life) which are based on the related cognitive-cultural, normative and regulative dimensions. Normative in view is basic obedience for individuals and groups in carrying out social obligations as well as the basis of social order that binds the will and social expectations. Regulative is a basic adherence to individuals and groups to obtain social benefits and benefits derived from the existence of regulations and at the same time as a basis for social order. Cultural cognitive dimensions explain the meaning of mutual understanding between individuals or groups in an institution that runs by imitating (mimetic) meaning. This dimension is characterized by the existence of a mutual trust that makes sense in action on the institution [11,12].

Based on the description of reality about the social relations of farmer group resources towards empowering farmer groups by CSR, the institutional relations of CSR of coal mining companies in empowering horticultural farmers with the following description:

1) Mainstreaming of CSR

The company in empowering the community around the company's operational areas through the mining CSR program focuses on community development and sustainable development programs. The CSR program is an investment for companies for the growth and sustainability of the company and is no longer seen as a cost center, but rather as a profit center. The CSR program is the company's commitment to support the creation of sustainable development. Based on the above arguments, it is necessary to establish the mainstreaming of CSR institutions, namely: Community Empowerment, Environmental Preservation, and Reputation of CSR which is the guiding direction of CSR.

2) Institutional Pillars of CSR

a) Normative CSR: Partnership

CSR has a strategic function or role for the company, namely as part of risk management, especially in forming social security valves. In addition, through CSR the company can also build its reputation, such as improving the image of the company and its shareholders, the position of the company, and the business sector of the company. CSR is different from charity or social contribution. CSR must be implemented on a program by taking into account the long-term needs and sustainability of the program. Based on the above arguments and the findings of this research data, it is necessary to maintain and develop the concept of partnership as willingness, openness, equality, responsibility and the synergy of potential partners in the form of cooperation. Partnership as the placement value of attitudinal pattern standards and CSR management

b) Cognitive cultural CSR: CSR Blessing

The basic values of the purpose of the CSR program which are enhancing community empowerment. Community empowerment by changing the mindset of the society toward more advanced. As for the involvement of the communities directly in the implementation of CSR programs has sought to empower the poor and vulnerable groups by means of giving assistance to community economic development, weak non physical It focuses on the development of human resource capacity. The program has been implemented in the fields of health, education, economic and community development efforts, especially in the sub fields of development aid and economic community, along with the impact of the empowerment program against the independence of the community expected to improve welfare. Based on the above argument it is necessary to develop the concept of CSR blessing that can be explained that the blessings are a reflection of the value of a good recognized religious community of Banjar Regency Tapin. Blessings include hope dam thinking patterns that contain solutif and critical thinking. the concept of solutif is constructed that problems related to CSR is the first, recognition of the power and the involvement of God in life. Secondly, the confidence of any problems there will be solutions to the will of God.

Based on the above arguments and findings of this research data, it needs to be built the concept of CSR in the CSR institutional Blessing.

c) Regulasif CSR: Openness and Accountability

The application of CSR program is one form of implementation of the concept of Good Corporate Governance in order to conduct business person have leads that can be referenced by regulating the relationship of the entire interest of the stakeholders which can be filled proportionately, preventing significant mistakes in corporate strategy and ensure the mistakes that occur can be corrected immediately. In the mechanism of CSR institutions need to develop participatory principles, transparency, and accountability is an important aspect in the CSR governance for a better future. Transparency refers to openness in set up and manage finances, decision making, communication, policy assignment, and in sharing information to stakeholders. Meanwhile, the accountability demonstrated willingness and attitude to be able to guarantee the performance of, the decisions and acts committed during the period of being in Office.

Accountability and transparency are the two things that are interrelated and cannot be separated. Based on the above arguments and findings of this research data, it needs to be built the concept of transparency and accountability in institutional CSR.

3) Empowerment of farmers group

Utilization of local resources that have potential, can support an increase in the social economy of the

community, the application of the innovation and development of the concept in the management of local potential should be implemented optimally. Sustainability and the development of activities that have been implemented, surely it can dig the local potential which is more varied and able to encourage the implementation of CSR programs by the community independently. Based on the above urgumentasi then perberdayaan must meet the criteria and CSR activities are oriented towards the following: 1) Management of decentralization. 2) gender equality. 3) The participation of the community. 4) Increase the income of farmers. 5) Involve local knowledge. 6) Using local resources). 7) Foster awareness of the requirements. 8) Foster cooperation. 9) making sense of pride. 10) Connectivity locality and globa.

The form of institutional relations CSR coal mining company in the horticulture farmers empowerment is described as below.

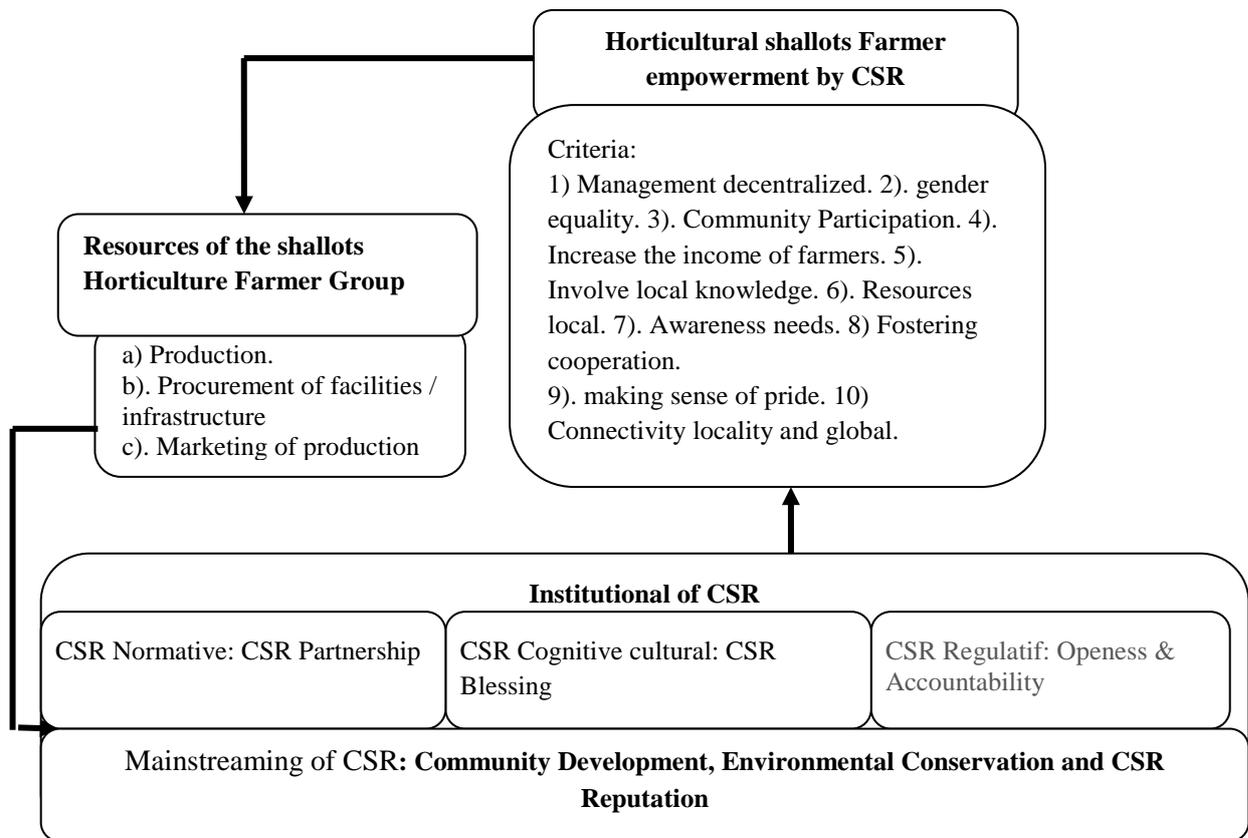


Figure 1: The Institutional relations CSR coal mining company in the horticulture farmers empowerment.

4. Limitations of the research

- a. The variances of every stakeholder's dimension as the subject in the research has not been to be the information sources. Because of research fund was not enough to get the information of the stakeholder variances.
- b. The analyzes relation to each other between subdimensions in the institutional of CSR was not to be done that was being caused by not enough to the time of research.

5. Recommendation

CSR in the future will be researched and developed on CSR institutions by paying attention to normative pillars, cognitive and regulative culture in order to increase the empowerment of horticulture farmer groups with the mainstreaming dynamics of community empowerment, environmental conservation, and CSR reputation.

The for further research should be much to get information sources from stakeholder variances. Besides, conduct the analysis relation to each other between subdimensions in the institutional of CSR.

6. Conclusion

Based on the description above, it can be concluded that the CSR institutional relation to the empowerment of horticulture farmer groups namely CSR institutions needs to put the mainstreaming of community empowerment, environmental conservation and CSR reputation which become the pillars of CSR (normative) partnerships, Blessing of CSR (cultural cognitive) and accountancy (regulative). The pillars of CSR institutions become behavioral patterns of CSR management, CSR programs and activities in community empowerment are operationalized with these 10 criteria. Community empowerment for shallot farmer groups focuses on production, procurement of infrastructure and marketing facilities.

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