



The Effectiveness Of Corporate Social Responsibility At Energy Equity Epic Sengkang Pty. Ltd.

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Abstract

The effectiveness of the corporate social responsibility (CSR) program in Indonesia still needs to be improved. It can be seen from the number of companies that make CSR programs only a formality obligation without thinking about how much the benefits of the program are implemented for the community and the environment. This article discussed the effectiveness of corporate social responsibility at Energy Equity Epic Sengkang Pty. Ltd. In Gilireng Sub-District, Wajo District, which was analyzed using indicators of goal achievement, integration, and adaptation. The research method used was a qualitative approach with data collection techniques through literature review, observation and interviews, then analysis and data processing were carried out using reduction techniques and relevant data grouping. The results of the research were presented using descriptive techniques in the corporate social responsibility program at Energy Equity Epic Sengkang Pty. Ltd. Implemented by first communicating, coordinating, and socializing with the government and the community. The areas of CSR implementation are education, health, economy, public facilities, and the environment. CSR programs implemented meet effectiveness indicators, namely goal achievement, integration, and adaptation.

Keywords: effectiveness, CSR, community, goal achievements, integration, adaptation

A. INTRODUCTION

Indonesia is a country with abundant natural resources, one of which is the mainstay of natural resources is mining excavations including oil and gas, coal, copper, nickel, metals, bauxite ore, and others. If these natural resources are managed properly, it will certainly provide welfare to the community by the mandate of Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia which reads, "Earth, water and natural resources contained therein are controlled by the State and used for the greatest prosperity of the people (Constitution of the Republic of Indonesia, 1945). To manage natural resources, especially mining, the cooperation of all parties, especially the community, the private sector, and the government is needed so that the noble ideals of the founding fathers of the nation as outlined in the 1945 Constitution can be achieved. In the management of natural resources, especially mining, the government can carry out its business activities through State-Owned Enterprises or SOEs for short and can also cooperate with private companies if certain activities cannot be carried out by SOEs.

State-Owned Enterprises (SOEs) and private-owned companies earned the right to manage natural resources in Indonesia, especially in the mining sector has an obligation in the form of social responsibility towards the environment and society, known by the term *Corporate Social Responsibility (CSR)* as for the activities conducted in the implementation of CSR among others in the environmental, health, education and social activities sectors. Various social, economic, and environmental impacts arising from the establishment of an industrial area, require companies to be responsible to the public,

especially the community around the company's area through real activities so that in implementing CSR activities, companies must be careful and carried out in ways so as not to strengthen the condition of the community's dependence on the company's presence (Meilanny Budiarti S. & Santoso Tri Raharjo, 2013).

The effectiveness of *Corporate Social Responsibility (CSR)* is considered to still need to be improved, this can be seen from the number of companies that do not implement programs as a form of social responsibility for the environment and society. In mining, companies are too focused on pursuing profit targets so that environmental, social, and economic impacts are ignored (Mining Advocacy Network, 2012). The classic goal of a company is to earn profits to pay its shareholders, however, nowadays, for the business to be sustainable in the long term, a *Corporate Social Responsibility (CSR)* activity strategy is needed to meet the demands of stakeholders, respecting ethical principles. and provide appropriate answers to organizational stakeholders (Hategan et al., 2018).

In recent years in Indonesia, *Corporate Social Responsibility (CSR)* is still an issue that continues to be debated by the government as policymakers and supervisors, the community as beneficiaries, and of course, companies that have CSR obligations, almost all parties cannot find an agreement on the implementation of CSR. itself so that the debate continues to this day (Retnaningsih, 2015). CSR which was originally only a voluntary company activity has now become an obligation because many companies do not care about socio-economic and environmental conditions, the government also sees the CSR phenomenon as a solution to community social problems, but CSR is welcomed by the community pragmatically and uses it as a tool to pressure the company so that sometimes there is an unhealthy relationship between the community and the company, this happens when people's expectations of CSR are too high. In recent decades, corporate social responsibility has been a source of growing debate between public and private, on issues of employment, globalization, and expansion in countries with weak regulatory and policy capacities that lead to overestimated expectations for environmental and global social value. from civil society to companies (Delautre Bruno & Abriata, 2018).

The management of natural resources by companies for business purposes is still a phenomenon that is difficult to obtain two-way benefits, namely business profits can be achieved and the environment is preserved. Therefore, it is necessary to carry out a program that can accommodate both economic and environmental interests, the program is known as *Corporate Social Responsibility (CSR)*, this program is expected to be able to contribute to the environment around the company, especially in the economic, social and environmental fields, because In addition to the problems above, the company's existence also has the potential to have other negative impacts such as air pollution, water pollution, discrimination, coercion, and arbitrariness. Thus, the company must be responsible for the various negative impacts caused. The company must return some of the profits earned for the welfare of the community, repair the damage caused, and provide reciprocal value to stakeholders, the company must take social responsibility actions, and become an inseparable part of its operations (Hadi, 2014).

Observing the awareness and initiatives of companies to implement *Corporate Social Responsibility (CSR)* in the fields of education, health, economy, and of course the environment is difficult to measure seeing the phenomenon of companies implementing CSR partially where the orientation of certain activities becomes the focus of company activities and ignores the obligation sector that others are almost entirely oriented towards the benefit of human resources by giving a minimal portion of

attention to the sustainability and development of natural resources and the environment. There may still be some companies who think that environmental costs have no important meaning for the company. This view is ultimately the cause of the non-budgeting of environmental funds in the company's budget (Gumilar et al., 2017).

B. LITERATURE REVIEW

Research conducted by ana Prutina, University Sarajevo School of Science and Technology with the title *The Effect Of Corporate Social Responsibility On Organizational Commitment (The Effect of Corporate Social Responsibility on Organizational Commitment)* found that; there is a significant relationship between CSR and affective commitment, there is a significant relationship between CSR and organizational values, there is a significant relationship between CSR and employee social care (Prutina, 2016). The difference between this research and the research that we present in this article lies in the subject of the study where the research above conducted research on the impact of CSR on the company's internal environment while the research we carried out was on the external impact of CSR, namely its effectiveness on the government and CSR recipient communities.

Taridi K. Ridho, with the article title *The Development of CSR Implementation in Indonesia and Its Impact on Company's Financial and Non-financial Performance*, found that; the level of CSR implementation in public companies in Indonesia is considered to be still low, in 2014 and 2015 there were no companies in Indonesia that met global standards of CSR implementation, in 2015 financial sector companies contributed 77.8% of CSR distribution in Indonesia, CSR implementation was related significantly and positively with financial performance, both ROE and ROA, there is no significant effect of CSR implementation on both customers and employee views (Ridho, 2018). The difference in research lies in the object of research where the object of research above is the financial impact and non-financial impact of CSR on companies, while the research discussed in this article is the effectiveness of CSR on the government and the community receiving the CSR.

Corporate Social Responsibility and Sustainability: The New Bottom Line? (Social Responsibility and Corporate Sustainability: A New Bottom Line?) article written by Michael Fontaine explains that; increasingly, companies are motivated to become more socially responsible, CSR by involving employees encourages higher loyalty, quality recruitment, increased retention, and increased productivity, in essence, CSR means that the company's business model must be socially responsible and friendly Environmentally, by being socially responsible, it means that the company's activities should benefit the community and by being environmentally sustainable, it means that the company's activities should not harm the environment (Fontaine, 2013). This article discusses how a company responds to regulations regarding CSR, how CSR impacts employee loyalty, productivity, and business that is socially responsible and environmentally friendly, while the results of the research we discuss in this article are how the impact of CSR in particular economically, socially and environmentally. for the community around the CSR beneficiary company.

Sustainable Development and Corporate Social Responsibility: a bibliometric analysis of International Scientific Production written by Lisilene Mello da Silveira and Maira Petrini analyzed 88 selected articles in a group of articles. the most cited as many as 13 articles and the most recent articles as many as 75 articles offering an overview of research on sustainable development and corporate social responsibility, a taxonomy of issues presented in the current literature, and identifying insights for future research (Da

Silveira & Petrini, 2018). Heli Wang, Li Tong, Riki Takeuchi, Gerry George with the article title *Corporate social responsibility: an overview and new research directions* stated that; the goal of CSR and organizations is to facilitate empirical contributions that have the potential to inform academic discourse and managerial practice about the transformative role of business in society (Wang et al., 2016). The article above is a literature study, where the researcher dissects previous research to obtain an overview of CSR and then the researcher prepares a strategic plan or new research directions to enrich the repertoire of studies on CSR, while this article is the result of field research that obtains an overview of the effectiveness of CSR.

C. RESEARCH METHODS

This study used a qualitative approach with a descriptive type, as explained by Sugiyono. Descriptive research is a study that aims to provide or describe a situation or phenomenon that is currently happening by using scientific procedures to answer the problem actually (Sugiyono, 2017). This type of research was used to describe and analyze the effectiveness of the *Corporate Social Responsibility (CSR) Program* of PT. Energy Equity Epic Sengkang Pty. Ltd into the achievement of goals, program integration, and adaptation of the organization to its environment. In line with Duncan's opinion which explains that three indicators greatly affect the effectiveness, namely: goal achievement, integration, and adaptation (Duncan, 1985).

Informants in this study consisted of the Head of Gilireng District, Head of Gilireng Community Health Center, Head of Abbatireng and Mamminasae Villages, Staff of the Regional Research and Development Agency of Wajo Regency, *Corporate Social Responsibility (CSR) Division* of PT. Energy Equity Epic Sengkang Pty. Ltd. and the beneficiary community. Data from interviews and field observations were analyzed through the reduction stage, namely by classifying and taking relevant data for further presentation of the data (data display). The results of the data presented were re-verified so that the assessment of the suitability of the data with the intent contained in the basic concepts in the research was more precise and objective so that the right conclusions are found.

D. RESULT AND DISCUSSION

1. Corporate Social Responsibility (CSR) Energy Equity Epic Sengkang Pty. Ltd.

Corporate Social Responsibility (CSR) according to Elkington's operational definition uses the term 3P, which stands for profit, planet, and people, profit is defined as the company's main function, namely the pursuit of profit or profit, but in the operational process in obtaining profits, every company must pay attention to environmental conditions that use the term planet and provide programs that can improve the welfare of the people who use the term people (Elkington, 1998). Energy Equity Epic Sengkang Pty. Ltd. operating in Wajo Regency which is actively engaged in oil and gas operations, implements CSR through the Implementation of Work Procedure Guidelines Number; PTK-017/SKKO0000/2018/SO concerning public relations, in this case, Community Development, this guideline is an effort to create public relations institutions in the context of optimal and responsible information services, one of which is the company's duty to distribute and convey information. Effective and efficient CSR.

Energy Equity Epic Sengkang Pty. Ltd. channeling *Corporate Social Responsibility (CSR)* through work programs that are considered highly needed by the community, before the work program is implemented, a mapping of the needs of the

community around the company is carried out which also involves the community coordinated with the local government such as sub-district heads and village heads in the company area, then based on this. The work program is arranged which is considered the most touching the community. *In the CSR planning process, the company always follows the development planning deliberation (musrembang) document for the village and sub-district levels, so that some development needs that are not budgeted for by the Government are accommodated through CSR, Interview with Mr. Baso Firman in charge of Corporate CSR 12/09/2021).*

The same thing is also done at the district level, in this case, the company coordinates a lot with the Bappelitbangda of Wajo Regency. An adequate business response should manifest itself in the new era of business administrators, acting not only according to the general rules of business ethics and CSR principles but also designing, planning, and implementing CSR solutions in all areas of business administration (Stonkute et al., 2018). Government involvement in CSR programs in Wajo Regency through the Corporate Social Responsibility Communication Forum under the coordination of the Regional Research and Development Agency of Wajo Regency. *(Information to the community is coordinated with the local government, sub-district head, and village heads in the company's operational areas, CSR information is also notified to local governments in this case through the Corporate Social Responsibility Communication Forum under the coordination of Bapelitbangda Kab. conducted routinely Interview with Mr. Baso Firman in charge of Corporate CSR 12/09/2021).*

The company is required to provide a budget post for *Corporate Social Responsibility (CSR)* activities, for Energy Equity Epic Sengkang Pty. Ltd. source of funds comes from the *Public Relations Work Planning and Budgeting Program (WP&B)* which has been approved by the Special Task Force for Upstream Oil and Gas Industry Activities (SKK Migas). Since the issuance of Law Number 40 of 2007 concerning Limited Liability Companies, companies have begun to aggressively carry out *Corporate Social Responsibility* activities which have become a government regulation. . However, some companies have the heart to set an appropriate nominal for the implementation of *Corporate Social Responsibility* activities (Surianto et al., 2016). *(The budget is sourced from the Public Relations Work Planning & Budgeting Program (WP&B) Budget which has been approved by the Special Task Force for Upstream Oil and Gas Industry Activities (SKK Migas) Interview with Mr. Baso Firman Responsible for Corporate CSR 12/09/2021)*

2. Benefits of Corporate Social Responsibility (CSR)

The existence of a company in an area is a success in the form of investment, but the existence of a company certainly has a positive and negative impact. The positive impact is the opening of job opportunities for the people in the area, both those who work for the company and supporting sectors such as trade, transportation, and accommodation. but what should not be ruled out is of course the negative impacts caused by the establishment of the company, these impacts can be in the form of social impacts and environmental impacts, therefore it is an obligation for companies to be socially responsible. *Corporate Social Responsibility (CSR)* is a concept in carrying out the company's business activities with strict compliance with the law, while still generating profits, the company voluntarily considers business decisions and the impact of its business activities on the surrounding environment, this kind of approach

contributes to improving the quality of life and application of the concept of sustainable development (Zelazna et al., 2020).

Corporate Social Responsibility (CSR) at least provides benefits to 3 sectors, namely companies, the government, and of course the community in implementing the Energy Equity Epic Sengkang Pty CSR program. Ltd, the company gets benefits, namely support for operational activities so that they run well without social, security, and environmental disturbances, indirectly CSR also becomes a company promotion media if the activities carried out can be witnessed and benefited by the community. The benefits of CSR for companies that already believe in CSR as an obligation, the company automatically has implemented social investment. As a social investment, the company will receive benefits in the form of benefits, including Increasing profitability and stronger financial performance, for example through environmental efficiency, Increasing accountability, assessment, and the investment community, Encouraging employee commitment because they are cared for and appreciated, Reducing the vulnerability of turmoil with the community, Enhancing reputation and *corporate building* (Yuniarti Wahyuningrum, Irwan Noor, 2014)

Benefits of *Corporate Social Responsibility* (CSR) Energi Equity Epic Sengkang Pty. Ltd. for the local government, in this case, Gilireng District, Wajo Regency, is the involvement of the Village, District and Regency Governments starting from the planning, implementation, and evaluation processes so that the activities and programs implemented can synergize with government programs, both programs in the form of goods and services so that there is no overlap. activities so that the government is greatly assisted in financing and support of experts who are also prepared by the company, for activities in the form of government infrastructure involved in the process of maintaining the infrastructure. (*Village, sub-district, and district governments are involved in planning, implementing, and evaluating CSR programs, Interview with Mr. Supardi, Head of Mamminasae Village, CSR Target 15/09/2021*). The presence of the company through CSR activities contributes quite a lot to the government, these benefits are; financial support, facilities, and infrastructure support, expertise support (Mardikanto, 2014).

The community of Gilireng District, Wajo Regency as the target of Energy Equity Epic Sengkang Pty's *Corporate Social Responsibility* (CSR). Ltd. is the party that should feel the most impact from the program, in addition to the impact of physical infrastructure development, CSR is also able to improve the experience of the community in technical activities because of the involvement of experts as activity companions so that the community indirectly learns and observes the workings of CSR companion experts (*Currently, CSR programs are generally carried out by self-management, in partnership with local community groups / local entrepreneurs in their capacity as suppliers of needed goods and services. However, several programs involve professional assistants. Interview with Mr. Baso Firman Responsible for Corporate CSR 12/09 /2021*) from the economic or community welfare aspects of the Energy Equity Epic Sengkang Pty program. Ltd. focuses on CSR activities in the economic sector, namely community empowerment in the agricultural and livestock sector businesses by socio-economic conditions and regional potentials owned by the target village or community. *Corporate social responsibility* (CSR) can be understood as a form of activity that aims to improve the welfare and quality of life of the community through increasing human capabilities as individuals to be able to develop their abilities and increase their capacity to achieve independence and a better quality of life (Rahmadani et al., 2019).

3. Areas of implementation of *corporate social responsibility* (CSR)

In the implementation of *corporate social responsibility* (CSR) there are several areas or focus of activities that can be targeted, as for the areas of coverage carried out by Energy Equity Epic Sengkang Pty. Ltd. covering the education, health, economic, public facilities, and environment sectors, in this study, researchers compiled data for the last three years (2018, 2019, 2020) on areas of CSR implementation carried out by Energy Equity Epic Sengkang Pty. Ltd. as follows;

1. Education

Improving the welfare of the community can be done by fulfilling basic human rights. One of the basic human rights in education. Education has a goal to shape individual maturity in various aspects, both knowledge, attitudes, and skills. To achieve this goal, efforts have been made by the government, the community, and parents. Education plays an important role because it can improve the quality of life. With a good education, a person's human potential can be developed (Triyanto, 2015). *Based on the results of interviews with the manager of the CSR program Energy Equity Epic Sengkang Pty. Ltd. local government and the community that in the field of education, the company distributes scholarships for high achievers and underprivileged, improved library management and facilities, and training to increase the capacity of stakeholders in the field of education. With this program, it can be concluded that the purpose of implementing CSR has been carried out by regulations because it has helped the implementation of education in the context of educating the nation's life as stated in the preamble to the 1945 Constitution (Constitution of the Republic of Indonesia, 1945), and by Wajo Regency Regional Regulation Number 23 of 2012 concerning Social and Environmental Responsibility, article (12) Education and Culture Sector consists of activities; development of educational facilities, development of local values, educational scholarships, improvement of teachers/educators, sports and arts (Wajo District Regulation Number 23 of 2012 concerning Corporate Social and Environmental Responsibility, 2012).*

2. Health

Based on the results of interviews with the manager of the CSR program Energy Equity Epic Sengkang Pty. Ltd. the head of the Gilireng Community Health Center, that in the health sector, the company has helped procure clean water facilities, revitalize the posyandu, and support facilities at the Gilireng Community Health Center. health service car, and handling of malnutrition Interview Br. Dr. Karmiladi, S.Ked 13/09/2021). The program implemented by Energy Equity Epic Sengkang Pty. Ltd. by the Regional Regulation of Wajo Regency number 23 of 2012 concerning Social and Environmental Responsibility, article (12) which states that the health sector consists of activities; integrated health, assistance for clean water facilities and infrastructure, skills of medical/health workers (Wajo Regency Regulation Number 23 of 2012 concerning Corporate Social and Environmental Responsibility, 2012).

The health sector is one of the focuses of Energy Equity Epic Sengkang Pty's *corporate social responsibility* (CSR) activities. Ltd. responsibility for public health in the form of increased awareness of health through socialization and counseling as well as repairing and providing health facilities and infrastructure, the company is responsible for negative impacts in the form of disturbances, potential damage, as well as impacts on health caused by company operations originating from

environmental pollution. land, water, air, and engine noise that can disturb the community. The company has an effort to maximize economic profits, but on the other hand, the company must contribute to improving community welfare and environmental health through corporate social responsibility programs (Utama & Rizana, 2018).

3. Economy

The existence of a company in an area is expected to be able to improve the welfare of the community in the area, the company creates employment opportunities for the community while increasing business opportunities for the community around the company, the operation of a company is also followed by the obligation of social responsibility or *corporate social responsibility* (CSR) one of the fields that the company can facilitate in its CSR program is the economic sector, Energy Equity Epic Sengkang Pty. Ltd. (*Through CSR in the economic sector, he has carried out the development of rolling cattle, creative economy programs, development of small and medium enterprises in collaboration with Village-Owned Enterprises (BUMDES) Interview with Mr. Andi Sappewali Village Head Abbatireng 14/09/2021*) in accordance with Regency Regional Regulations Wajo number 23 of 2012 concerning Corporate Social and Environmental Responsibility which states that the economic sector consists of activities; increase in income, training and skills in household products, assistance for livestock, fisheries, agriculture, convection and others, increasing income through employment.

Improving the welfare of the people of an area is the responsibility of the government, but due to limited resources, the support of other parties is needed to achieve the target of community welfare. can carry out community service activities through *corporate social responsibility* (CSR) programs, in addition to financial support, the company's existence can also help the community improve their skills and experience through training and skills improvement to create jobs. The CSR program can be divided into two, namely: First, the internal CSR program is a program to improve employee performance, pay attention to human resources, provide facilities to employees and their families. Second, the external CSR program is in the form of *community development* with a mindset towards community development, especially the community around the company (Heriyanto et al., 2016).

4. Public facilities

Public facilities are facilities built for the public interest, public facilities include sports, worship, health and infrastructure facilities, adequate public facilities that can support community activities, both entertainment and recreational activities as well as community main activities such as work and worship. Adequate public facilities are the responsibility of the government, but the involvement of the private sector and companies in the procurement of public facilities is highly expected given the limited resources of the government. The government needs to find solutions to these problems by involving various relevant stakeholders in the implementation of development, for example, the private sector, the community, non-governmental organizations, and *nongovernmental organizations* (NGOs). by the government itself, especially in terms of the availability of expertise in human and financial resources so that involvement of the private sector is needed, this form of cooperation involving the private sector is known as a *public-private partnership* (PPP) (Latifah & Aziz, 2016).

(Energy Equity Epic Sengkang Pty. Ltd. through its corporate social responsibility (CSR) program has assisted in the procurement of public facilities in the form of

green open space (RTH), improvement of sports fields, construction of mosques, construction of bridges, improvement of Community Health Centers (PKM), improvement of posyandu, assistance for repairing people's markets Interview with Mr. Baso Firman in charge of Corporate CSR 12/09/202), this shows the company's concern for the provision and improvement of public facilities by Wajo Regency Regional Regulation number 23 of 2012 concerning Social Responsibility and Company Environment which states that the field of public and social facilities consists of activities; Infrastructure in the form of roads and bridges, development of MCK facilities and orphanages (Wajo Regency Regulation Number 23 of 2012 concerning Corporate Social and Environmental Responsibility, 2012). The emergence of development programs in CSR cannot be separated from the view that development, including regional development, is not only the responsibility of the government but the responsibility of all parties including companies, both State-Owned Enterprises (BUMN) and private companies (Erfit, 2017).

5. Environment

The environment is the carrying capacity of life, so a good environment will support a better life. Maintaining the cleanliness of the environment and its preservation is the responsibility of all parties. With the enactment of the Wajo Regency Regional Regulation No. 5 of 2006 concerning the Management of Cleanliness and Beauty in the Wajo Regency area, one of the contents of which is a prohibition on throwing garbage in any place, so that every household, crowded location, office, and the public facility must provide a trash can (Regional Regulations). Wajo Regency No. 5 of 2006 concerning Management of Cleanliness and Beauty in the Wajo Regency area, 2006). Environmental issues are one of the main issues that are currently the topic of international discussion, the problem of environmental damage, global warming, and plastic waste is the homework of almost all countries in the world, therefore all parties need to take a role in overcoming these problems. Humans are one of the determining factors in efforts to preserve the environment, as well as having a role and responsibility to empower environmental wealth for the survival of the ecosystem (Karim, 2018).

(Energy Equity Epic Sengkang Pty. Ltd. through its corporate social responsibility (CSR) program has assisted in the procurement of trash cans for households in Gilireng District and Sengkang City, and activities for utilizing community yards. Interview with Mr. Baso Firman in charge of Corporate CSR 12/09 /2021) This activity shows the company's concern for environmental cleanliness and the use of yard land for the supply of family medicinal plants, by Wajo Regency Regional Regulation No. 23 of 2012 concerning Corporate Social and Environmental Responsibility, which article 12 states that the environmental sector consists of activities; beach reclamation and mangrove planting, household waste management, public relations with environmental awareness (Wajo District Regulation Number 23 of 2012 concerning Corporate Social and Environmental Responsibility, 2012).

Awareness of environmental cleanliness is still a difficult thing for people in developing countries, in contrast to developed countries where the level of public awareness is very high, one of the bad habits of people such as in Indonesia is littering, in addition to the awareness factor of the availability of trash can facilities and enforcement. Strict sanctions are also a factor that hinders changes in people's mindsets in Indonesia, the awareness that has begun to be built is minimal by disposing of waste in its place, companies through CSR can take part through the socialization of healthy living and the provision of facilities and infrastructure such

as trash cans. The waste problem in Indonesia is a complex problem due to the lack of public understanding of the consequences that can be caused by waste, another factor that causes the waste problem in Indonesia to be more complicated is the increasing standard of living of the community, which is not accompanied by a harmony of knowledge about waste and also community participation. less to maintain cleanliness and dispose of garbage in its place (Aditya et al., 2015).

4. Effectiveness of *Corporate Social Responsibility* (CSR)

A program is designed after experiencing a process of observing and analyzing a phenomenon or problem and then a solution in the form of a program that targets the problem can be resolved effectively, the effectiveness of a program is measured by the extent to which the program can solve problems efficiently and effectively, *corporate social responsibility* (CSR) is a corporate responsibility to address social problems in society, both those that arose before the existence of the company and problems that arose as a result of the establishment of the company, CSR is a program designed as a solution to social problems in the community which is expected to be implemented effectively. Indicator of effectiveness level of CSR Energy Equity Program Epic Sengkang Pty. Ltd. based on Duncan's theory which explains that three indicators greatly affect the effectiveness, namely; goal attainment, integration, and adaptation (Duncan, 1985).

1. Achievement of objectives

- 1.1 Implementation of *corporate social responsibility* (CSR) Energy Equity Epic Sengkang Pty. Ltd. in the field of education by distributing scholarships for outstanding and underprivileged students, improving library management and facilities, and training to increase the capacity of stakeholders in the field of education. student literacy through complete library facilities and improve the quality of teachers and teaching staff to be able to provide quality education by the needs of the world of work. The existence of an industrial area optimizes the company's operations so that it is maintained, the company cannot be separated from the community environment, does not interfere with educational and company operations. Thus, between the company and the community is to protect their interests, and more specifically is the implementation of education (Hadisuamardjo, 2014).
- 1.2 Implementation of *corporate social responsibility* (CSR) Energy Equity Epic Sengkang Pty. Ltd in the health sector by providing clean water facilities, revitalizing posyandu, supporting facilities at the Gilireng Community Health Center (PKM), health service cars, and handling malnutrition. who have difficulty getting clean water, Repair and support facilities at health facilities at Posyandu and PKM aim to improve the quality of services for people who need information and health care as well as handling malnutrition which is still one of the national problems in the health sector so support from various parties is needed. . Various efforts to improve public health have been carried out by various parties, one of which is by the company through CSR activities. In its implementation, the CSR activities carried out should be addressed to the four health factors, namely behavior, environment, health services, and heredity (Indah et al., 2014).
- 1.3 Implementation of *corporate social responsibility* (CSR) Energy Equity Epic Sengkang Pty. Ltd. in the economic sector through revolving cattle development activities, creative economy programs, development of small and medium

enterprises in collaboration with Village Owned Enterprises (BUMDES), aiming to improve the standard of living of the community through increasing skills and fostering creativity to increase income. CSR is then widely understood as an organization or corporation's ongoing commitment to act ethically, support community economic development, and improve the quality of life of workers, families, local communities, and the wider community (Prajarto, 2015).

- 1.4 Implementation of *corporate social responsibility* (CSR) Energy Equity Epic Sengkang Pty. Ltd in the field of public facilities through activities, construction of green open spaces (RTH), improvement of sports fields, construction of mosques, construction of bridges, improvement of Community Health Centers (PKM), repair of posyandu, assistance for repairing people's markets, this activity aims to assist the government in repair and procurement of public facilities considering the limited resources owned by the government so that partnerships with the private sector are needed. Infrastructure is one aspect that gets the company's attention through CSR activities to improve the quality of rural infrastructure to increase the socio-economic activities of the community (Andraina, 2014).
- 1.5 Implementation of *corporate social responsibility* (CSR) Energy Equity Epic Sengkang Pty. Ltd. in the environmental field through the procurement of trash bins for households in Gilireng District and Sengkang City, and the use of community home yards for family medicinal plants (TOGA), the program aims to increase public awareness of the importance of healthy living starting with maintaining a clean environment. and the use of natural plants for herbal treatment through the TOGA program in the yards of people's homes. The government in each country encourages every company/extractive industry to carry out its social responsibility in the environmental field so that in the future more companies will care about the environment. Once the importance of environmental issues, most governments in various countries issue special policies regarding the implementation of CSR that cares for the environment (Feronika et al., 2020).

Corporate Social Responsibility (CSR) is a company program that has clear implementation guidelines and objectives. In general, companies program CSR with various objectives, including; contribute ideas and materials for community development, make a real contribution to environmental conservation, create a company characteristic that distinguishes it from other companies, improve good relations between the company and the community as well as other parties. To measure the success of a program in achieving its declared goals is the extent to which the distance between expectations and reality is felt by the program target party. CSR Energy Equity Epic Sengkang Pty. Ltd in 5 areas of implementation when analyzed using Duncan's opinion that achieving strategic goals must have the ability to correlate the vision and mission of the organization as the spirit that animates every organizational activity, both in the process of formulating and determining policies, stages of implementation and evaluation actions taken (Duncan, 1985), then associated with Vision-Mission Energy Equity Epic Sengkang Pty. Ltd, namely the vision of achieving self-reliance and community welfare within the framework of sustainable development, mission; operate the upstream oil and gas sector in an efficient, healthy, and environmentally sound manner, as well as provide added value for the community and regional development (Ltd, 2020), it can be seen that the CSR activities carried out by Energy Equity Epic Sengkang Pty. Ltd. by the

organization's vision and mission, as well as the process, determination, implementation and evaluation of CSR which has accommodated the company's vision and mission, namely being able to improve community welfare through CSR in the fields of education, health and economy as well as providing added value to the community and regional development through CSR in the field of public facilities and environment.

2. Integration

One of the development problems in Indonesia is the synergy between policymakers, especially in integrated development planning, the role of various parties in development both at the national and regional levels is significant but is constrained by overlapping policies that sometimes lack coordination between stakeholders to create work programs which are not integrated, regulations regarding coordination and integration of national development have been stated in the law, but awareness to implement these regulations is still low. The objectives of national development planning according to Law Number 25 of 2004, among others; Supporting coordination among development actors Ensuring the creation of integration, synchronization, and synergy between regions, across space, across time, between government functions as well as between the Center and Regions, Ensuring linkages and consistency between planning, budgeting, implementation and supervision Optimizing community participation and ensure the achievement of efficient, effective, equitable and sustainable use of resources (Law Number 25 of 2004 concerning the National Development Planning System, 2004).

Corporate Social Responsibility (CSR) is a company program that must integrate community needs, government policies, and company programs, Energy Equity Epic Sengkang Pty. Ltd through its CSR program in 5 areas, namely; education, health, economy, public facilities, and the environment always establish communication, coordination and carry out socialization in the process, determination, implementation, and evaluation of CSR. Local government, subdistrict head, and village heads, coordination is also carried out with local governments through the Corporate Social and Environmental Responsibility Communication Forum under the coordination of the Regional Research and Development Agency of Wajo Regency, this is in line with what Duncan said that; Integration is a measurement of the level of an organization's ability to conduct socialization, consensus development (regarding collective agreements), and communication with various other organizations. Integration consists of socialization procedures and processes (Duncan, 1985).

3. Adaptation

Adaptability is not only possessed by living things, organizations that are a place for achieving goals are also required to have the ability to adapt to be able to survive various internal dynamics and external pressures, organizational adaptability is the ability of organizations to translate environmental influences on the organization, organizational adaptation in the form of the ability to analyze and translate various internal and external phenomena through organizational policies. Companies as profit-oriented organizations tend to be required to adapt more quickly than other forms of organization because the business world is very dynamic. One of the company's programs that must adapt to social phenomena is *Corporate Social Responsibility* (CSR). Organizational culture is said to be learning to overcome the problem of adaptation to the company's externals that is brought into the internal

organization, it is assumed, if the company has strongly instilled a culture, it is easier to adapt to changes in the external environment (Schein, 2010).

Adaptation is the process of change to adapt to changing situations both due to internal and external phenomena. Based on the results of interviews with the manager of the *Corporate Social Responsibility* (CSR) Energy Equity Epic Sengkang Pty. Ltd., that the company is always open to making adjustments as long as it has a strong and correct legal basis, changes in CSR management policies due to the wishes of the community and government policies allow them to be implemented if they do not conflict with the applicable rules. The ability of companies to adapt to CSR programs is needed considering the dynamics of society and very dynamic regulations from the government to answer the needs of the community. The corporation is no longer an entity that only cares about itself (*selfish*) so that it is alienated or alienated from the community in which they work, but a business entity that is obliged to make cultural adaptations to its social environment, so that the implementation of CSR is not just " *having fun* ". entrepreneurs, it is necessary for the role of the government to guard it, so that the transformation of CSR implementation can meet the expectations of the community and stakeholders (Riyadi, 2010).

E. CONCLUSION

Energy Equity Epic Sengkang Pty. Ltd. channeling *Corporate Social Responsibility* (CSR) through work programs that are considered highly needed by the community, before the work program is implemented, a mapping of the needs of the community around the company is carried out which also involves the community coordinated with the local government such as sub-district heads and village heads in the company area, then based on this The work program is arranged which is considered the most touching the community.

In the implementation of *corporate social responsibility* (CSR), there are several areas or focus of activities that can be targeted, while the areas of coverage are carried out by Energy Equity Epic Sengkang Pty.Ltd includes the education, health, economic, public facilities, and environmental sectors.

The effectiveness of *Corporate Social Responsibility* (CSR), when viewed in terms of achieving the objectives of CSR activities, carried out by Energy Equity Epic Sengkang Pty. Ltd. by the organization's vision and mission, as well as the process, determination, implementation, and evaluation of CSR which has accommodated the company's vision and mission, namely being able to improve community welfare through CSR in the fields of education, health and economy as well as providing added value to the community and regional development through CSR in the field of public facilities and the environment, in terms of the integration of Energy Equity Epic Sengkang Pty. Ltd through its CSR program in 5 areas, namely; education, health, economy, public facilities, and environment has always maintained communication, coordination and the dissemination in the process, the establishment, implementation, and evaluation of CSR this is done to create a program that is integrated with the government's policy from the aspirations of the community, in terms of adaptation to *Corporate Social Responsibility* (CSR) Energy Equity Epic Sengkang Pty. Ltd., is always open to making adjustments as long as it has a strong and correct legal basis, changes in CSR management policies due to the wishes of the community and government policies allow them to be implemented if they do not conflict with the applicable rules. Based on this, it can be concluded that the *Corporate Social Responsibility* (CSR) program for Energy Equity Epic Sengkang Pty. Ltd meets the

effectiveness standard if it is analyzed using indicators of achievement of objectives, integration, and adaptation.

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