

CASE STUDY ON COMMUNICATION MANAGEMENT IN IMPLEMENTING CORPORATE SOCIAL RESPONSIBILITY THROUGH SMALL-MEDIUM ENTERPRISE (SME) AS A WAY TO IMPROVE SUSTAINABLE PROSPERITY AND RELATIONSHIP WITH THE SOCIETY

Desayu Eka Surya, S.Sos., M.Si.¹

Abstract: *Business is part of community and is necessarily to have its social responsibility (Social Responsibility) similar to that of the society itself. In reality, the role of business is limited to providing voluntary financial support and charity (philanthropy) so that such activity provides the society with less benefit. This causes disappointment for both the society and government due to insignificant role of the businesses in the socio-economic world. The business employers tend to see this activity only for fulfilling their image for the society and consumers. Therefore, not only should the business employers fulfil their personal and incidental desire but also provide the society with long-term prosperity through their CSR activity. This research aims at covering the Communication Management in Implementing Corporate Social Responsibility (CSR) through Small-Medium Enterprise (SME) as a way to realize society's prosperity so that sustainable and harmonious relationship between the society and business employers can be achieved. In this research, qualitative approach is implemented using case study method in order to answer the background and means of the business employers in performing their CSR activities, making decisions, determining communication strategy and information dissemination by way of establishing the concept of continuous and on-going communication. This professional activity is performed through partnership; making it significant factor in securing the developing activities created by the public relation practitioners of the company.*

Keywords: *Corporate Social Responsibility, Continuous Relationship, Background, Making Decision, Communication, and Information Dissemination Strategy*

1. INTRODUCTION

In the midst of uncertain condition of national economic due to world financial crisis, Public's Small-Medium Enterprise (SME) is faced with difficulties in expanding their business. With its unyielding spirit, PT. Chevron Geothermal Indonesia (PT. CGI) Darajad, Garut, is committed to implement friendly operation in order to bring

¹. Universitas Komputer Indonesia, Bandung. Email: Desayuekas70@gmail.com / desayuekas@yahoo.com

society into prosperity and to encourage the existence of continuous and developing activity. As one of Indonesia's biggest energy companies, PT. CGI constantly upholds environmental values by providing benefit to the surrounding societies through their CSR programs; encouraging the society to revive and change from their economic disadvantages and assisting the society's quality of living.

This commitment of PT CGI makes SME survive in the happening difficulties. Even more, SME can improve the economic growth, provide job opportunities, reduce poverty, and improve society's prosperity. SME plays an important role in supporting Indonesia's economic growth, particularly to the societies in Samarang and Pasirwangi Village. This then creates many new economic opportunities for the society itself.

The development of SMEs in the Subdistrict of Samarang and Pasirwangi relates closely with the Communication Management performed by PT. CGI to the surrounding society. In reality, one delivers the idea/message (encoding) which is the result of processing an idea (stimulus) based on the sense (perception) and interpretation of the speaker. In this process, one is receiving or listening a message, the message itself, the media (transmission through a channel), and response towards the message (feedback). The effective communication management of PT. CGI to the society in Pasirwangi and Samarang determines the success and sustainability of the SME activities.

This research aims at covering the Communication Management in Implementing Corporate Social Responsibility (CSR) through Small-Medium Enterprise (SME) as a way to realize society's prosperity so that sustainable and harmonious relationship between the society and business employers can be achieved. The Communication Management in this research is analysed from the background and means of PT. CGI in performing their CSR activities, making decisions, determining communication strategy and information dissemination by way of establishing the concept of continuous and on-going communication to the societies involved in the SMEs in both villages.

SMEs is one important part of country's economic including Indonesia. It plays an important role in improving people's economic prosperity that leads to creating job opportunities. SMEs is a business managed by particular group of society or family. It is easy to locate SMEs in almost all locations in big cities in Indonesia, even in the suburban areas. SMEs have strategic role in developing national economic since it contributes to the national economic growth and absorbs workers in significant numbers.

The low level of technology literate and entrepreneurial ability in the SMEs becomes issue nowadays. The development of SMEs partially does not yield maximum result on the performance improvement of the SMEs. Economic growth

widely causes Indonesia's competitiveness left behind compared with other neighbouring countries such as China and Malaysia. Therefore, the policy on SMEs is not determined by its small size but by its low productivity. Productivity improvement on SMEs shall affect widely on the development of people's prosperity since the SMEs serve as a source place for making a living. One of the alternatives in improving SME productivity is by modernizing its business system and systematic policy so that it provides wider impacts in improving regional competitiveness. PT. CGI Darajad Garut is one of many companies adopting the SMEs through the creation of conducive business climate; providing safety and security in doing business and simplifying the procedure of business licensing. Through *koperasi* (cooperative economic enterprise) established by PT. CGI, the SMEs can have particular credit scheme with light requirements in order to improve their capitals. In addition, within the *koperasi*, partnership between SMEs and third parties can be developed in order to achieve wider market scopes and communication management resulting in a more efficient business. Nevertheless, the SMEs shall have the power to compete with other businesses locally, regionally, and nationally.

CSR is a form of company's commitment to contribute in developing sustainable economic prosperity. This commitment should comply company's social responsibility and focus on the balance of economic, social, and environment aspects. Several companies made some efforts to improve the prosperity of surrounding societies. PT. Indonesia Power Unit for example that establishes *koperasi* to improve society's prosperity around Saguling sustainably. The programs comprise providing on-going capital, ranch house for sheep and duck, and farm management for fruits to its marketing (Feriza Zubair: 2012: 3).

The term company social responsibility shows that the relationship between the company and society is not only seen within the context of economic relation but also in its social relation. Any form of activities performed by the company is not limited to maintaining good relationship by providing assistances, medications, clean water, free entertainment, incidental prizes, and daily needs. This should further do well to company's active participation in solving the environmental issues. One of the company's programs can be shown in creating harmonious communication with the public outside the company (external public). One that is relevant to show company existence to surrounding society or community is through CSR activities. These activities are efforts made by the company to develop interaction with the society in order to create understanding and sense of belonging. The company understands the needs of the society and in return, the society feels the benefit from the company so that prosperous live, harmonious and sustainable relationship and activity can be achieved.

The relationship or interaction between the company and society is based on communication since the ability to communicate is an important need. The

dynamic of human relation may lead to changes and development in the society. Whenever the communication or relationship reaches its concrete forms that are appropriate with social values, the interaction shall experience processes that can be called as communication management.

The awareness on the importance of communication management among individuals within the society may sustain the society as a unity since in every society exists what is called as communication system; which is part of the social processes. Social interaction is the key to every social life. Without social interaction, there will no so called living together. Social interaction is main requirement for the occurrence of social activities. It is a dynamic relation comprising the relations between individuals, groups of people, individuals with group of people, and group with the company. In its interaction, negative or positive interaction may occur.

2. THEORETICAL REVIEW

Company's Communication Management to Society

Communication is an important skill required in company management. Communication activity, in principal, is the activity of idea or opinion exchanging. In simple definition, communication activity is understood as the activity of delivering and receiving messages/ideas from one to another with the purpose to achieve similar view over the exchanged ideas.

In its history, the scientists from various disciplines develop communication science. Therefore, they define communication according to their own points of view. Sarah Trenholm and Arthur Jensen in Wiryanto (2004) define communication as a process in which the source transmits messages to receiver through various channels. Hoveland in Wiryanto (2004) argues that communication is a process in which individual transmits stimulus to change the attitude of other individuals. Gode in Wiryanto (2004) defines communication as a process that makes togetherness for two or more individuals; one or several individuals initially govern the process. Raymond S. Ross in Wiryanto (2004) defines communication as a process of sorting out, selecting, and sending symbols in such a way so that the receivers can access the meaning or make responses from their minds to meet the intentions of the communicator.

The aims of communication relate with the efforts to change the target attitude after the communication is made. The aims must comprise target, scope of the target, and the intended attitude change. Operational plan is conceptual description regarding the sources required in managing particular program or project. Communication management is a basic thing required in particular activity

of social communication, specifically intended to introduce or market products. After understanding the planning processes and communication elements in particular organization, several issues relating to communication management can be discovered. Wahyudi (2010) argues that communication planning must be performed carefully and precisely in order to determine who is talking, what is being talked, and what channel is used.

Public Relations and Corporate Social Responsibility (CSR)

Particular company or organization should communicate and make harmonious relationship with the public inside the organization and the public outside the organization. PT. CGI Darajad Garut sees the importance of caring the surrounding publics because they may contribute to the success or failure of the company. Public Relations, as one of the functions in management, manage to develop understanding, sympathy, and support from both internal and external publics for their personal, institutional, and society goals. In line with the definition stated by Fraser P. Seitel in his book *The Practice of Public Relations*, Public Relations is:

A Distinctive management functions which help establish maintain mutual lines of communications, understanding, acceptance, and cooperation between and organization its public; involves the management of problem or issues; Help management to keep Informed on and responsive to public opinion; defines emphjasiszestech responsibility of management to serve the public interest help the management keep abreast of and effectively utilize change, serving as early warning system to help anticipate trends; and uses research and sound and ethical communication techniques as its principal tool's"

The definition of Public Relations according to Cutlip, Scott M, Allen H. Center, Glen M. Broom, (2006:6) is: the function of management that establishes and maintains good and useful relationship between the organization and the publics, which influences the success or the failure of the organization.

Public Relations can also be defined as management function in which the efforts made are dedicated to develop society's understanding, sympathy, and supports that relate or may have relation with the company. As stated in *The International Public Relations Association (IPRA)* in Onong Uchjana Effendy (1998:21), that Public Relations is:

"Public Relations is management function, of a continuing and planned character, through which public and private organizations and institutions seek to win and retain the understanding, sympathy, and support of those with whom they are or my be concerned by evaluating public opinion about themselves, in order to correlate, as fat as possible, there own policies and procedures, to achieve by planned and widespread information more productive co-operation and more efficient fulfilment of their common interest."

The implementation of CSR activities that relate with society empowerment at PT. CGI is under the Department of Policy, Government, and Public Affair (PGPA). This department has sub divisions of Social Investment, Public Relations, Government, and Media Relations. The employees at these sub divisions are responsible for the implementation. The PR division of PT. CGI is directly under the command of Team Manager of Policy, Government, and Public Affair at Darajad. The Team Manager is responsible to PGPA Manager in Jakarta.

The goal of Public Relation of CSR is to prove that the company is a good organization that they do not perform any CSR programs on behalf of particular individuals. The goals of Public Relation regarding company's assistances according to Monroe in Onong Uchjana Effendy (2000:267) are: to prove the good citizenship of the company, to improve business climates, to introduce free company, to strengthen society's freedom, and to fulfil the needs of fund that is no longer provided through humanistic activities individually.

Assistance provided by the company as a form of CSR activity is voluntary, not based on the demand from the surrounding societies. This means that the activity is based on the company awareness and willingness to follow the applicable law and regulation because they feel that the society and their environment deserve their assistances.

The goals of CSR for mining companies are commonly; to improve community prosperity; particularly the local communities around the company operational scope so that harmonious relationship can be achieved, to create an effective two-ways communication with the stakeholders, particularly with those communities whose goals are to maintain conducive situation and condition for the company operations. This is done in order to maintain and create positive image and reputation of the company that is care to its surrounding communities. The mining companies should establish the CSR activities that lead to the sustainable development and company's core businesses.

According to researchers, if mapped, the relatively easy, understandable, and operational CSR definition for audit is by developing a concept of *Tripple Bottom Lines* (Elkington, 1998) and adding it with one additional line; the procedure (Suharto, 2007a). Therefore, CSR can be understood as:

"Kepedulian perusahaan yang menyisihkan sebagian keuntungannya (profit) bagi kepentingan pembangunan manusia (people) dan lingkungan (planet) secara berkelanjutan berdasarkan prosedur (procedure) yang tepat dan profesional." (Suharto, 2007a).

In its application, this 4Ps concept can be combined with the components contained in the ISO 26000. The concept of *planet* clearly relates with the aspect of the

environment. The concept of *people* refers to the concept of social development and human rights that deal not only with society's economic prosperity (providing capital for business, job skill training) but also with the social prosperity (social security, society access to health and education, improved capacity on social institutions and local wisdoms). The concept *procedure* may comprise the concepts of organizational governance, labour practices, fair operating practices, and consumer issues.

Community Relations as the Foundation of CSR

Community is a group of individuals who live in the same place, have the same government, and have the hereditary culture and history. People living in the community together with the institution in the community have high dependency to each other. They cannot enjoy the good life without the institutions. Similarly, the institutions can only live with the permission and support from the community and society.

Community and society contribute the institution with skilful work forces, personal management, capital for investment, and the use of goods and services produced by the institutions/companies.

Those reasons demand the company to accept and perform their social responsibility to the community where they operate the businesses. Not only provide job opportunities and pay tax, the company should also actively participate within the live of the community, follow the culture leadership, help society's education, improve economic life and prosperity, improve society's health, eliminate law violations, and provide various recreational infrastructures. These concepts are then elaborated at practical level into *community development* and eventually results in CSR concept.

The Role of CSR in Developing Society

Generally, society is defined as a group of individuals who share similar goals in order to comply particular needs, who live nearby, and who interact regularly. Shared hopes are set for every member of the group; the responsibility is generated from the hope. The groups respect each other and consider other's individuality in the society. Most importantly, there is prominent figure responsible for the success of every event of the community, depending upon the society's need and individual's feeling itself. This prominent figure is individual who influences other to take the responsibility over their actions, achievements, and prosperities.

Developing society refers to the initiatives performed by the society through partnership with the companies or external organizations in order to empower the individuals and group of the society. This can be done by providing the groups with the required skills in order to make changes to the community.

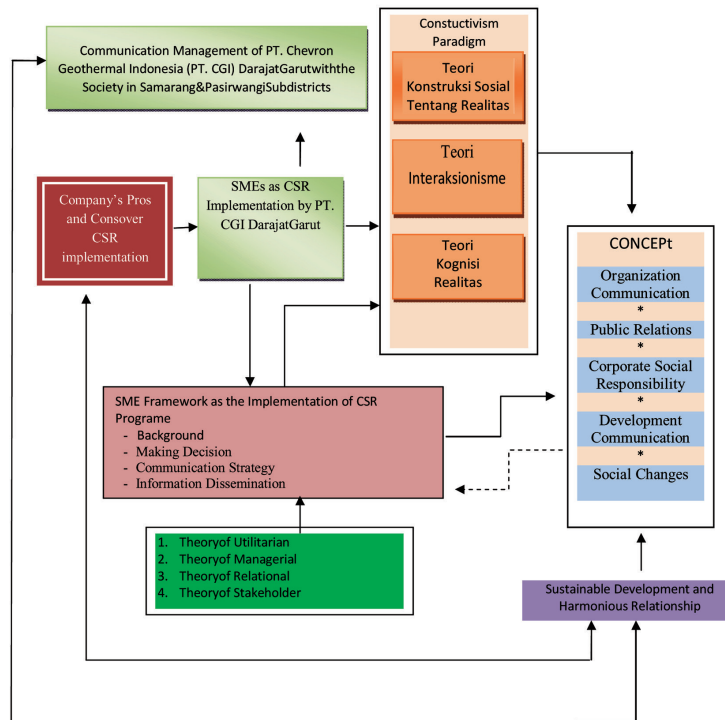
The Development of CSR and Sustainable Development

The development of CSR cannot be separated from the concept of sustainable development. The definitions of sustainable development according to *The World Commission On Environment and Development* well known as *The Brundtland Commission* is stated as follow, sustainable development is the development that meets human’s current needs without sacrificing the ability of the next generation in fulfilling their needs (Solihin: 2009).

The Brundtland Commission is established to respond the increasing apprehensiveness of the world leaders on the rapid destruction of environment and natural resources in particular. In addition, this commission is also established to carefully observe the impacts of this destruction towards the economic and social development. Therefore, the concept of sustainable development is built upon three pillars that relate and support each other. They are social, economic, and environment, as stated in *The United Nation 2005 World Summit Outcome Document* (Solihin: 2009).

3. MODEL OF THE RESEARCH

Figure 1: Model of the Research



4. METHODOLOGY

The data to be analysed in this research are derived from the interview performed with the parties related closely with planning, implementation, and aspects of SMEs. Selected informan is determined based on Informan Selection Technique through *Purposive Sampling*, also known as consideration sampling. Dr. Riduan, M.B.A. in his book *Dasar-dasar Statistik* argues that:

“Purposive Sampling adalah teknik sampling yang digunakan peneliti jika peneliti mempunyai pertimbangan-pertimbangan tertentu di dalam pengambilan sampel atau informan untuk tujuan tertentu. Hanya mereka yang ahli dan yang patut memberikan pertimbangan untuk pengambilan sampel/informan yang diperlukan. Oleh karena itu, Teknik sampling ini cocok untuk studi kasus yang mana aspek dari kasus tunggal yang representative diamati dan dianalisa” (Riduan, 2010: 20)

In order to obtain the data for this qualitative research, the researcher uses Informants consisting of two categories; key informant and supporting informant. They are selected based on their activities that may explore their understanding and experience in performing SMEs as CSR program of PT. CGI in details.

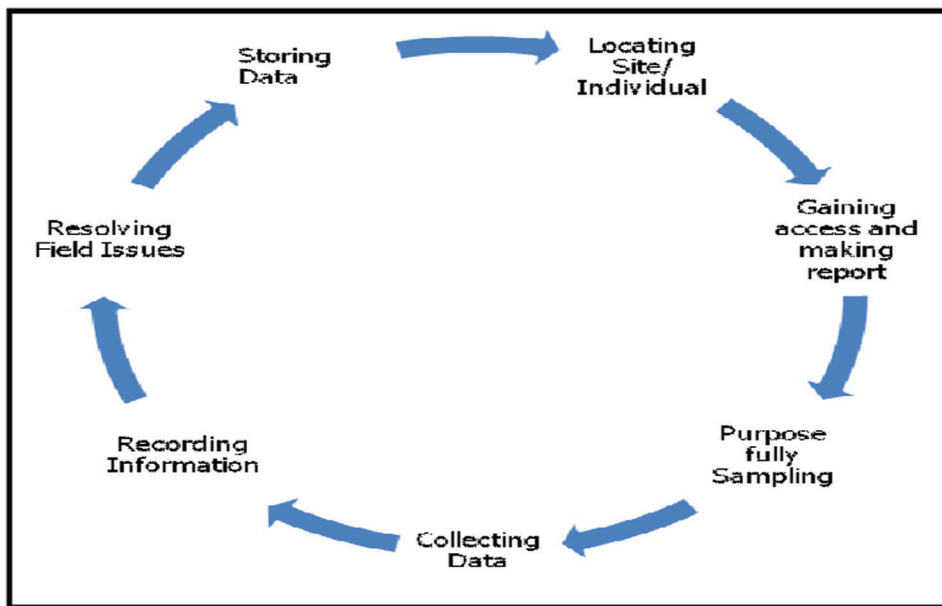
Robert K. Yin (2003: 109) argues that the key informants are those who not only provide explanation for the researcher but also give input regarding other sources of evidence supporting and creating access towards related sources. Merton (in Saefudin, 2007: 125) states that “...informants will not hesitate to make certain private views known to a disinterested outside observer-views which would not expressed were it thought that they would get back to management; the outsider has ‘stranger’ value”.

This research uses constructivism paradigm because the study focuses on several process and communication management through the approach of Organization communication. The development of Communication studying the CSR programs performed by PT. CGI Darajad Garut to the society in Samarang and Pasirwangi villages is intended to improve the society’s prosperity and to create and establish harmonious and sustainable relationship between the company and society.

Fundamentally, the reason underlying the use of constructivism paradigm is intended to discover the way the company, Government, and the society of Samarang and Pasirwangi villages provide and receive the understanding on harmonious relationship between them through the CSR programs. In addition, the background in performing the activities, making decision, regulating the communication strategy, and disseminating the information are included in the discovery.

Qualitative research is conducted in natural condition and nature finding or explorative. In qualitative research, researcher is the key instrument. Therefore, the researcher must equip himself with theories and broad knowledge so that he can ask, analyse, and construct the object under the research to be clearer. In this approach, the researcher makes complex images, observes words, reports informant's view in details, and conducts study in natural situation (Creswell, 1998: 15). In general, the research activities are visualized as follow:

Figure 2: The Design of Qualitative Research



Source: Creswell, 1998:110

A qualitative researcher goes through a series of data collecting activities as shown from the above scheme. Creswell argues that even though data collecting is started from the place (location) where the individual is to be observed, a researcher can collect data anywhere. An important issue is that none of the data collecting steps shall be neglected. At the step of locating site or individual, the researcher selects the company, government, and the society of Samarang and Pasirwangi villages who join in the SMEs as the object of the study. At the step of *Gaining Access and Making Rapport*, the researcher tries to gain access by asking permission from PT. CGI whose headquarter is at Senayan Jakarta. At the step of *Purposefully Sampling*, the researcher determines the informant in accordance with the purpose and importance of this research, which is purposive. At the step of collecting data,

the researcher performs data collection activities through interview, observation, and document analysis. Therefore, the form of interview data, document data, literature study, and recorded data can be obtained. The forms of observed data or the data itself is in the form of artefacts. At the step of *Recording Informant*, the researcher records the data through field records over voice recorder, photos (pictures), and video recording towards the incidents or objects. At the step of *Resolving Field Issues*, the researcher attempts to obtain general data, particularly those that relate with field issues. This general data is obtained through in-depth interview and observation. At the step of *Storing Data*, the researcher attempts to save data in such a way. The data collection activities comprise filing, transcription, and filling into computer.

This research applies the method of case study. This means that the method or strategy is used to discover particular case in this research using various data sources (as many as possible). The data can then be used to comprehensively and systematically analyse, describe, and explain various aspects of individuals, groups, programs, organizations, or events.

Case study research focuses more on the deep understanding over the issues under the study. Therefore, the method of case study is performed intensively, detailed, and in-depth over particular symptom or phenomenon within narrow scope. Despite its narrow scope, the dimension analysed must be extensive; Comprising various aspects so that none of them is left. In this research, the researcher uses exploratory type to reveal in-depth information regarding the communication management between PT. CGI and the society of Samarang and Pasirwangi sub-districts. Information revelation on the SME implementation is one of the CSR programs.

The data of the research is collected through observation, interview, literature study, file recording, documentation, and internet searching. After that, the data is processed and analysed in accordance with the steps stated by Nasution; Data Presentation, Data Reduction, Data Display, and Drawing Conclusion/Verification.

To test the data validity or conclusion resulted from verification; the collected data is rechecked. In the case study of research quality assessment using the criteria of **construct validity**, multi sources are used, series of evidence are shaped, and the key informant rechecks the report draft of the case study. The other criterion is **Reliability** that uses case study and develops the basic data of the case study. In terms of reliability, Susan Stainbcak (1998) says that:

“Reliability is often defined as the consistency and stability of data or findings. From a positivistic perspective, reliability typically is considered to be synonymous with the consistency of data produced by observations made by different researchers (e.g

integrated reliability), by the same researchers at different times (e.g test retest), or by splitting a data set in two parts (split-half)"

Reliability relates with the consistence level and data stability or findings. In qualitative research, the findings or data can be said valid whenever no difference exists between what is reported and the actual occurrence of the object under the study. However, it is important to know that the truth of data reliability according to qualitative research is not single in nature, yet plural and dependent upon human construction. The reliability is also shaped in one's ego as a result from mental processes of every individual having varied backgrounds. Data credibility testing or trust is performed upon the data resulted from qualitative research; they are extending observation, improving diligence during the research, triangulation, discussion with colleagues, analysing negative cases, and member check.

5. DATA ANALYSIS

The first research question is what/how is the **background** of PT. CGi Darajat Garut in performing the CSR programs through SMEs for the society in Pasirwangi and Samarang villages. The results show that in its operation, "The Chevron Way" whose vision is "to be the global energy company that is praised for their employees, partnerships, and performances" guides PT. CGI. On the other side of its company foundation, Chevron says that: "we are shaped upon the values adopted; this makes us different from other companies because we works based on the guidelines. We run the businesses with our social responsibility and our ethics. We obey the law and regulation, uphold human rights, protect lives, and give benefits to the society surrounding our operational scope. We are shaped upon the ideas that through commitment and innovation, no problems that cannot be resolved, no obstacles that cannot be overcome. This is how we see the way we work every day" (interview, March, 18, 2014).

These Vision and Fondation of Cheveron are the reason underlying the implementation of SMEs in Samarang and Pasirwangi sub-districts. What is written from its foundation is not an easy thing to do since it requires long processes and requires communication management to support the implementation of the foundation in accordance with the company's vision and mission.

In order to realize the above vision and foundation, of many activities performed by PT. CGI, the CSR through SMEs is under the terms of Corporate Responsibility (CR). Tig Yulianto, Specialist, *Social Investment, Policy, Government and Public Affairs* (PGPA) of PT. CGI argues that:

"Corporate Responsibility in which social investment exists is called as Community Development (Comdev) in its known term or as CSR. We see that

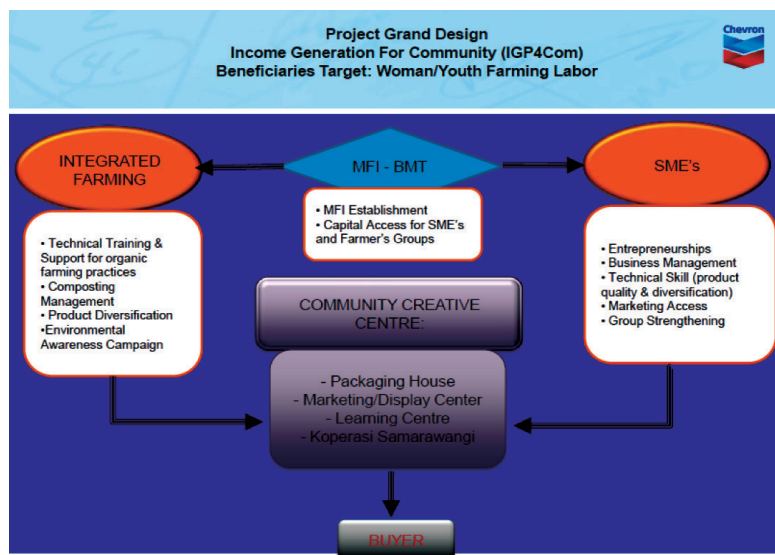
the programs of *Comdev* or CSR as a long term investment that supports the continuity of the business as well as elevates the level of live of the surrounding society where Chevron operates” (interview, March, 18, 2014).

Other background underlying PT. CGI in implementing SMEs to realize its social responsibility is that they want to achieve the goal of Strategic Plan of Social Investment Program made by the company. The social target of the company is to improve the standard of living of the society and to build society independence in the region where they operate. This is performed in order to create economic growth through society capacity development and investment. To achieve the target, in the coordinating meeting of Bappeda Jabar CSR and the *Policy Government Public Affair* (PGPA) of PT. CGI, Tig Yulianto talked about the principals of Social Investment Program as follow:

“Chevron is committed to contribute towards the social and economic growth of the society surrounding the operational areas through the following principals: 1) Support the vision, mission, and strategy of the local government based on their priority scale of development (strategic and does not replace the role of the government), 2) focus on the active-participation programs and society capacity development, 3) become transparent, continuous, and well documented (Yulianto, Bandung, November 22, 2013).

In order to revive and improve society’s income in its operational areas, PT. CGI establishes primary design for the project as follow:

Figure 3: Project’s Primary Design for Reviving Society’s Income



SME developments performed by PT. CGI Darajat Garut are cluster and local based and have been implemented in Samarang Sub-district since 2009 and have been implemented in Pasirwangi Sub-district since 2010. SME developments are performed to encourage society's independence and economic growth through technical trainings (entrepreneurship, product diversification, improved quality for product packages, expanding market, intensive supervision, and business stimulant). The excellences of the SME programs are as follow:

1. Contribute in eliminating 75% poor society from 1500 participants.
2. Improve the income to 40-50%, basis before participating in this program.
3. Create 100 new products for local SMEs (processed foods, convection, handcrafts, and metals)
4. Establish 3 R program by utilizing the waste of *akar wangi* root into paper for paper bag industry and coconut waste into snacks.
5. Utilize approximately 2 tons of domestic waste per month.
6. Encourage product certification from the group of IRT *Depkes* (Health Department), *Halal MUI* (Indonesia Council of Ulama), and in the future, the certification shall move to *barcoding*.
7. Establish SMEs Gallery that markets the products, managed by Samarawang *koperasi*.
8. Help the group of KUBE SARASA and CGI to achive SMEs Award form Garut District in March 2012. (Yulianto, Bandung April, 20 2014)

The excellence of the SMEs programs performed by PT. CGI Darajad Garut is a phenomenon or real contribution of PT. CGI to the society in Samarang and Pasirwangi sub-districts. This certainly contains various communication managements that are unique and valued because it relates with heterogeneous individuals and groups from their economic, social, education, and others.

With the CSR program serving as business strategy, it is easy for the business units in the company to implement the designed plans of the CSR. From the social responsibility, the CSR programs shall be continuous activities that are expected to be implemented based on the hopes of the stakeholders, companies, and societies. Business persons should not operate their business only for their profitability, but should also cover the company and society sustainability.

The second research question is how PT. CGI **Makes Decision** regarding the implementation of SMEs to the society in Samarang and Pasirwangi. From the research, it can be acknowledged that PT. CGI makes this decision as a form of their social awareness towards the society. This also serves as the efforts to reach the execution of Program 13 E in both villages. The followings are the achievements

and plans resulted from the cooperation of PT. CGI with *Perkumpulan Untuk Peningkatan Usaha Kecil* (PUPUK-Association for Improving Small Enterprise) Bandung:

1. Until the end the second year of 13E program, has binitiated 22 business group from the initial plan only 14 groups. So in total there are 33 groups of the processes food, household waste processing, compost processing ang nursery groups, convection and processed foods in padaawas, and three groups of special metal craft artisans in the pasirkiamis.
2. From 23 new business group, which has been running well and the new group, merged workforce of 564 people or 1,67% of the total workforce of 33,679 people in Pasirwangi or increased 1,01% over the previous year.
3. Increased demand for SME's products can be used as an indicator of quality products that meet market demand. Certainly quality products produced by quality resources. Production of high intensity will increase human resource competencies in particular skills in production techniques, as well as for business owners will drive the ability to manage the business.
4. The transaction is one of the indicators of achievement that occurs in business groups in Pasirwangi. There is an interesting phenomenon when we compare the value of transactions in 2011 and 2012. In the first year of transaction turnover affected by certain events, such as school and national holidays and still related to search market. While in the second year, SME transactions tend to be stable and even rise. In terms of transactions velocity, in the first year reached a total of \$ 22,930.08, and in the second year SME's total transactions reached \$ 125,506.53.
5. Product development process has received positive market response including through souvenirs market at Tarogong and direct selling in darawisa shop in UMK Center. To reach a wider market we developing market network through Samarawangi Outlet, which has been built in the tourist area of Garut, and has been operational since early 2013.
6. Product innovation through research and development continues to be done simultaneously, in order to produce acceptable products for consumers and alaso to compete with other products of its kind. There are number of new products developed by SME's in this second year. These products are Rendang Oyster Mushrooms, Dodol and Sale Pisang Ambon, Rujak Cassava Chips, Compost, and Copper Handicraft. Some of these products are getting a pretty good response from consumers. Until the end of the second year of the accumulated about 38 new products, with details of 12 products produced in 2011 and 26 products in 2012. This amount exceeds the target of 15% of the initial target by 21 products.

7. The most important progress of the implementation of the 13E program is the establishment of Samarawangi Cooperative and the Opening of Outlet/Café Samarawangi. Previously, marketing of SME products is always a constraint, this time with the establishment of the Cooperative Samarawangi, SME's Samarang and Pasirwangi have legal formal forum to expand its business, and with the opening of the Outlet/Café Samarawangi SME Samarang and Pasirwangi have a proper place to promoting and marketing the products.

PT.CGI admits that the achievement of the decision making of 13 E above cannot be separated from the series of communication managements. The communication management comprises: contribute in communication planning, establish information management activities, communicate the information regarding the program, and contribute in determining the assessment towards the result of communication management.

The third research question is how the Communication Strategy is performed by PT. CGI in the SMEs activities. The results show that the **Communication Strategy** performed by PT. CGI in its social responsibility through SMEs is described the following steps: 1) Make an approach to religious figures and ask permission from the local leaders (RW or Head of the Village) informally. 2) Make an approach to individuals who have willingness, awareness, and ability to implement SMEs programs as well as have the ability to be the motor in the society. 3) Map the problems regarding society prosperity and economic level from various aspects; including record the number of SMEs requiring supervision. 4) Perform comparative study to several areas that have succeeded in implementing the SMEs programs. 5) Establish environment committee/working group that manages the working plans and contribution agreements of the society in the form of material or immaterial. 6) Make training and campaign regarding the importance of society's understanding and awareness to improve their prosperity and economic level continuously. 7) Provide assistances, disseminate the information and observe continuously so that the SMEs yield products that is in accordance with the intended target. 8) Make coordination with local government so that the programs meet the requirements of the prosperity management system and society economic improvement. 9) Make plans for marketing the SMEs products so that the products can attract customers. 10) Direct and motivate the SMEs participants to participate in various competitions.

The fourth research result is on socialization (information dissemination) that is performed by PT. CGI Darajad garut towards the implementation of SMEs. From the interviews, it can be discovered that PT. CGI has standard competence and job description that must be possessed by every member based on their

functions. Whenever gaps are found between the one's competences with one that is required, resolution shall be performed through communication or information dissemination; through training, seminar, or cross-functional placement. In disseminating information, PT. CGI describes the standard competence in an open way according to the planned target for the SMEs participants. The standard competence is regularly reviewed in order to see for adjustments and improvements (interview, March 25, 2014).

6. DISCUSSION

The research results in the field show that Social Construction Theory regarding Reality (*The Social Construction of Reality*) used to confirm the primary data relating with social data can support the study being performed. This theory is used to obtain understanding on communication management during the implementation of the CSR through SMEs activities by PT. CGI. These activities are intended to improve society's prosperity and to realize harmonious relationship with the society in Samarang and Pasirwangi villages. This theory bases its root on constructivism paradigm that sees social reality as social construction created by individuals who are free men. The SMEs participants as individuals become the determinant in social world constructed based on their will. In many ways, they have freedom to act beyond the structured control and social structure which include PT. CGI and society through responses towards the stimulus in their cognitive worlds. In social processes, the representatives of PT. CGI and the society are considered as the creator of relative social reality in their worlds.

The needs over analysis instruments in analysing the phenomena on social reality, previously was assumed to be influenced by the thoughts in social sciences. The social sciences comprise social construction, creating images, and intercultural communication on the review that narrow towards the phenomena in the communication management that may create and develop symbols and meanings. These symbols and meanings shall be exchanged during the communication management in the SMEs implementation as the CSR of PT. CGI. This activities in turn are regarded as good will or "political will" for the creation of harmonious relationship. The philosophical thought of Mead basically is the view of the "pragmatism". The development of Symbolic Interactionism ideology, according to Manford Kuhn, can be divided into two periods. The first period is oral tradition and becomes the early development of the basic thoughts on Symbolic Interactionism. Other well known philosophers are Charles Cooley, John Dewey, L. A. Richard, and George Herbert Mead. The Mead's "Mind, Self, and Society" (*Pemikiran, Diri, dan Masyarakat*) is the primary guideline for such

thoughts.

The theory of cognitive argumentation can be used as the instrument to analyse the problem-solving processes in the discussion involving PT. CGI and supervised SMEs participants. The quality of live of PT. CGI and the society is primarily determined by how the communicate. The happening issues in the interactions and communications between PT. CGI and the society as well as the communication aspects are significantly complex.

7. CONCLUSIONS

The improved productivities in SMEs widely influence to the improvement of society prosperity because the SMEs become the source place where individuals make their living. One alternative to improve the SMEs productivities is by systematically modernizing the business system and policy so that it gives wider impacts to regional or local competitiveness. PT. CGI Darajad Garut is one of many companies adopting SMEs as its CSR activities whose benefit has been obtained by the society in Samarang and Pasirwangi.

The background of PT. CGI and the Decision Making in implementing its social responsibility through SMEs in Samarang and Pasirwangi are performed by establishing Strategic Plans of Social Investment Program. The social targets of this program are to improve prosperity and living standard as well as to shape society's independence in the regions in which the company operates. This is done in order to create economic growth through society's improved investment and capacity development. Based on the research results, PT. CGI dedicates itself to collaboration and innovation in order to support its commitment to be the selected partner. As a result, the branch companies routinely achieve awards for their qualified operation in Indonesia, including PT. CGI Darajad Garut. The achievements are Green Proper of KLH for 2 years and Gold for 3 years, CSR award from West Java Government in 2011, 2012, and 2013, SMEs Award from Garut Government in 2012 and CSR Award in 2013. As stated by Tig Yulianto (Specialist, Social Investment, PGPA of PT. CGI), the efforts put forward by PT. CGI has achieved acknowledgement for the last several years from Indonesia Government and has achieved appreciation from National Profession Association in many fields such as career development, HIV/AIDS prevention, work safety and security, and environment preservation. As a highly appreciated company in Indonesia, Chevron grows and supports any efforts on society's living standard in which they operate. One of the efforts is the commitment to contribute in developing society's economic and social living standard through Small-Medium Enterprises (SMEs).

Implementing **communication strategy** and **socialization (information dissemination)** can be started from the approach to the society, regional/local leaders, and government. In its implementation, the communication management that is planned in details and systematic has proven to improve society's prosperity and harmonious and sustainable relationship through SMEs activities in Samarang and Pasirwangi villages.

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