



The Effectiveness of PT. Wijaya Inti Nusantara's Corporate Social Responsibility (CSR) Program in South Palangga District, South Konawe Regency on the Quality of Life of the Community

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ABSTRACT

This study aims to determine the success and effectiveness of the implementation of the Corporate Social Responsibility (CSR) program carried out by PT. Wijaya Inti Nusantara in order to improve the quality of life of the surrounding community. This research uses a qualitative approach that focuses on qualitative descriptive methods. The informants in this study were selected by purposive sampling technique. The data in this study was obtained through interviews, observation and documentation, the data obtained was then analyzed qualitatively with an interactive model consisting of data reduction, data presentation and conclusion drawn. The results of this study show that the results of the study show that the implementation of the Corporate Social Responsibility (CSR) program carried out by PT. Wijaya Inti Nusantara, South Palangga District (Mondoe Village, Pasi Village, and Wawowonua Village) both from social and environmental aspects have been successfully implemented. Meanwhile, regarding the effectiveness of the implementation of the program on the quality of life of the community in the assisted villages of PT. Wijaya Inti Nusantara has been effective, because it has succeeded in improving the socio-economic life of the community through empowerment programs sourced from Corporate Social Responsibility (CSR) funds of PT. Wijaya Inti Nusantara. However, the implementation of the Corporate Social Responsibility (CSR) program is also faced with several obstacles, including the availability of funds that will be used to carry out all forms of programs and the use of Corporate Social Responsibility (CSR) funds that are not in accordance with the substance of the use of the funds.

Keyword: Implementation, Effectiveness, Corporate Social Responsibility

INTRODUCTION

Chapter 33 paragraph 3 Constitution of the Republic of Indonesia confirmed that the state has control over the land, water, and natural resources contained in it, with the main purpose of its use being to improve the welfare of the people as much as possible. This constitutional principle provides direction related to the management of national natural resources, with a focus on ownership by the state aimed at improving people's welfare. This approach is carried out optimally, effectively, and efficiently to support the growth and

independence of national industries that depend on mineral resources and/or coal energy. The management and utilization of minerals and coal is expected to contribute real added value to the national economy, with the aim of achieving prosperity and welfare of the people in a fair manner. In carrying out its responsibilities, the Central Government has the authority to establish the National Mineral and Coal Policy and design a National Mineral and Coal Management Plan (Haryadi, 2018).

The bowels of Indonesia are so rich in natural resources, such as oil, minerals, and coal. The potential of these resources is one of the important sources of state revenue in the development process. Therefore, mining commodities are significantly considered a sector that is considered quite strategic in the context of national development and the potential driver (prime mover) of regional development where the mining materials are managed. This has been mandated in Law of the Republic of Indonesia No. 4 of 2009 concerning Mineral and Coal Mining. In the State and Regional Revenue section, article 129 paragraph 1 and paragraph 2 stipulates that the government gets 4% of the net profit revenue, and 6% to local governments which includes 1% of the provincial government, 2.5% of the generating district/city government, and 2.5% of other district/city governments in the same province. Thus, the essence of mining management is actually carried out in a synergistic manner between the government and the company for the sake of achieving the welfare of the people (Upe, 2014)

Triple Bottom Line Accounting consists of three main elements known as the 3Ps, namely planets, people, and profits. The Planet component reflects the company's commitment to nature and the surrounding environment. The People aspect is related to the company's attention to human resources, especially the workforce. Meanwhile, the Profit section is related to the company's ability to achieve profitable financial results (Putra & Larasdiputra, 2020).

CSR is a manifestation of the company's concern for the surrounding environment, involving various aspects such as economic, legal, ethical, and contribution to social issues. This indicates that every company, in the implementation of CSR activities, needs to consider these various dimensions because each dimension has a significant impact. In addition, CSR is considered the responsibility of business owners to develop their regulations, make decisions, or take steps that are in accordance with the goals and values of society (Suri, 2022).

The concept of CSR contains the meaning, companies or business people generally have responsibilities that include legal, economic, ethical, and environmental responsibilities. More specifically, CSR emphasizes the ethical and social aspects of corporate behavior, such as business ethics, compliance with the law, prevention of abuse of power and annexation of public property rights (Pratiwi, 2022).

The company PT. Wijaya Inti Nusantara, which is located in Laeya District and South Palangga District, South Konawe Regency, has an area coverage that includes six villages, namely Torobulu Village, Mondoe Village, Wawowonua Village, Wanuakongga Village, Labokeo Village, and Pasi Village. Which is located in two different sub-districts, namely Laeya sub-district which includes Torobulu Village, Wonuakonngga Village, Labokeo Village, then South Palangga sub-district which includes Mondoe Village, Wawowonua Village, and Pasi Village. And here the focus of my research location is South Palangga district. In this area there are also several other mining companies such as PT. Billy Indonesia and PT. Integra Mining Nusantara. PT. Wijaya Inti Nusantara has a Mining Business License (IUP) with an area of 1,931.00 hectares, and this company has been actively carrying out its mining activities since 2017. Currently, the mining activity contract of PT. Wijaya Inti Nusantara was recently extended until 2029 (ESDM Minerba One Data Indonesia).

Companies operating in the nickel mining sector have implemented various social responsibility initiatives. One form of social responsibility carried out by the company in the field of education is to organize a scholarship assistance program for elementary, junior high, and students who are pursuing education. In addition, the company also implements an aid fund program focused on improving school facilities in South Palangga.

Meanwhile, in the economic sector, the company also proactively contributes *Corporate Social Responsibility* (CSR) funds, where the funds are allocated through the *Community Development* (*Comdev*) program. These funds are directly handed over to the village government in collaboration with the company, and the local government is responsible for managing the funds to support community development activities in each village. Furthermore, the company gives priority to the local community in employee recruitment, this contributes to improving the economy and reducing the unemployment rate in the six villages where PT. Wijaya Inti Nusantara.

The company also actively supports religious activities by launching a fund assistance program for the rehabilitation and construction of mosques around the mining operational area. This step is expected to improve the quality of worship of the local community. Thus, from the various areas of responsibility implemented by the company, it is expected to provide benefits to the community around the mining site. These benefits involve improving the quality of life of the community, so that the existence of the company can significantly improve their living conditions from the beginning of mining activities (based on observation).

The effectiveness of the program implemented by the company can be assessed by looking at the extent of the results of the company's initiatives in various aspects, including the social sector (provision of basic food assistance and road repair), education (implementation of scholarship assistance, funds for school facility improvement), economy (provision of community development funds and job creation), and in the religious sector (assistance for rehabilitation funds and mosque construction). This assessment aims to measure the real impact produced by these programs on improving the quality of life of the people around the mining area.

METHODS

This research was carried out in South Palangga District, South Konawe Regency at PT. Wijaya Inti Nusantara, the selection of this location is based on the consideration that First, this area is the operational area of PT. Wijaya Inti Nusantara, so that the direct impact of the company's CSR program can be clearly observed. Second, the area has interesting socioeconomic characteristics to research, with the majority of the population dependent on the agricultural and plantation sectors. This allows researchers to analyze how CSR programs can affect the lives of local communities who mostly work in the primary sector. In addition, South Palangga District also reflects the typical rural areas in Indonesia which are often the target of CSR programs of large companies, so the results of this study can provide relevant insights to be applied in other similar areas. Finally, the accessibility of the location and the availability of adequate data are also practical considerations in the selection of this location, allowing researchers to conduct a comprehensive and in-depth study. This research uses a qualitative approach. The informants in this study were obtained or determined by purposive sampling technique so that the informants in this study amounted to 10 people. The data in

this study was obtained through interviews, observations and documentation, the data obtained was then analyzed qualitatively with an interactive model from Miles and Huberman in (Upe, 2022), namely Data Reduction, Data Display and Verification/Drawing Conclusions.

RESULTS AND DISCUSSION

Implementation of Corporate Social Responsibility (CSR) of PT. Wijaya Inti Nusantara

Based on the results of the research conducted, it shows that the implementation of Corporate Social Responsibility (CSR) has become an integral part of the business strategy of modern companies, including PT. Wijaya Inti Nusantara. As a form of corporate social responsibility, CSR aims to make a positive contribution to the community and the environment around the company's operational areas. PT. Wijaya Inti Nusantara, through its CSR program, seeks to improve the quality of life of the community in South Palangga District, South Konawe Regency. Implementation of Corporate Social Responsibility (CSR) of PT. Wijaya Inti Nusantara is as follows;

1. Social Aspects

The social aspect in literary sociology is an objective and scientific study of human beings in society and their social processes. This study examines how societies grow and develop. In the context of PT. Wijaya Inti Nusantara in South Palangga District, the company stated that it has carried out its social responsibility to the environment and the community around the mining area. This indicates that there is an interaction between the company and the local community, which can affect the social dynamics in the area. The implementation of corporate social responsibility can have an impact on community development, both in terms of economy, education, and welfare. Thus, the study of social aspects in this context can provide a deeper understanding of the relationship between industrial activities and the development of the surrounding society. The forms of responsibility in the social aspect are:

a) Rehabilitation of Mosques/Houses of Worship

PT. Wijaya Inti Nusantara carries out its social responsibility through the rehabilitation program of houses of worship, especially mosques. This program is implemented in various villages assisted by the company, with the main focus on three villages in South Palangga District: Mondoe Village, Pasi Village, and Wawowonua Village. In addition, the company is also expanding this program to other villages that it is working with. This initiative shows the

commitment of PT. Wijaya Inti Nusantara in helping to improve religious facilities in its operational area. By repairing and rehabilitating mosques, the company not only helps to preserve places of worship, but also contributes to the spiritual well-being of the local community. This program is a tangible form of the company's efforts in building good relationships with the surrounding community.

b) Road Repair

PT. Wijaya Inti Nusantara shows its social responsibility through road repair programs in the assisted villages. The company focuses on improving access to roads that are often used by the local community. The repair method applied is road paving, which was chosen taking into account Indonesia's tropical climate conditions. High rainfall often causes road damage in the form of potholes, so hardening is considered an effective solution. This program is carried out regularly to ensure that the quality of the road is maintained. By improving road infrastructure, PT. Wijaya Inti Nusantara not only facilitates the mobility of villagers, but also contributes to improving the quality of life of the community as a whole.

c) Basic Food/Food Assistance

This activity is targeted at communities around the mining area, covering seven company-assisted villages in two sub-districts. However, the focus of this research is centered on three villages in South Palangga District: Mondoe, Parasi, and Wawowonua. In addition to the local community, the program also includes company employees. The main goal is to ease the burden of spending on food needs, both for local residents and employees. This initiative reflects the company's efforts to provide direct support to the surrounding community and its employees, especially in terms of meeting basic needs. By focusing on the food aspect, this program is expected to have a positive impact on the welfare of the community and employees, as well as strengthen the relationship between the company and the surrounding environment.

d) Scholarship Assistance

PT. Wijaya Inti Nusantara shows its commitment to corporate social responsibility through a scholarship program aimed at underprivileged students around the mining area. This initiative reflects the company's concern for the education and well-being of the local community. By providing financial support to students in need, PT. Wijaya Inti Nusantara not only helps ease the economic burden on their families, but also opens up opportunities for

talented children to continue their education. This scholarship program is a long-term investment in local human resources, which has the potential to improve the quality of life of the communities around the mine and encourage sustainable development in the region. Through these efforts, the company proves that its presence is not only profit-oriented, but also contributes positively to the social and economic progress of the surrounding communities.

e) Development Fund

In addition to the assistance programs that have been implemented, the company also provides Development Funds or Community Development which are given directly to the governments of the assisted villages. The amount of this fund has been presented and adjusted to the area of mining activities or the company's IUP in each village. The focus of this research includes three villages in South Palangga District, namely Mondoe, Parasi, and Wawowonua. This initiative demonstrates the company's commitment to supporting sustainable development in its operating areas. By providing funds directly to village governments, the company allows local communities to actively participate in determining their own development priorities, while strengthening the relationship between the company and the local community.

2. Environmental Aspects

PT. Wijaya Inti Nusantara, a mining company in South Palangga District, realizes the importance of environmental aspects in the mining industry. The company has been committed to carrying out social and environmental responsibilities around its operating areas. Environmental aspects include elements of organizational activities or services that interact with the environment and can have an important impact on ecosystems and communities. PT. Wijaya Inti Nusantara has implemented various forms of environmental responsibility as part of its mining activities. Although no specific details were mentioned, the company confirmed that it has fulfilled its obligations to the environment and the surrounding community. This shows the company's awareness of the importance of balancing mining activities and environmental conservation as well as the well-being of local communities.

PT. Wijaya Inti Nusantara implements its environmental responsibility through reforestation activities in Mondoe Village, especially on land previously used for mining

production activities. This effort aims to restore environmental conditions that have been damaged by mining activities and ensure environmental sustainability in the future. Reforestation is carried out by planting various types of plants such as cashew trees, teak trees, and palm trees. The area that is the focus of this reforestation activity is the production location that was first managed by PT. Wijaya Inti Nusantara when the company started operating in Mondoe Village. Through reforestation, PT. Wijaya Inti Nusantara seeks to restore the ecological function of degraded land and provide long-term economic benefits for the surrounding community. This reforestation activity can be analyzed through two concepts of social welfare, namely the theory of sustainable development and the theory of social capital. The theory of sustainable development emphasizes the importance of meeting current needs without sacrificing the ability of future generations to meet their needs. Reforestation by PT. WIN is in line with this principle, because it seeks to improve the environment for the benefit of the future. The second concept is the social capital theory introduced by Putnam (2000), which emphasizes the importance of networks, norms, and trust in society that can improve the efficiency of society by facilitating coordinated action. Reforestation that involves the participation of local communities can build social capital, because the community together takes care of the plants planted, so that a sense of togetherness and mutual trust is created between them.

The Effectiveness of the Implementation of Corporate Social Responsibility (CSR) of PT. Wijaya Inti Nusantara in South Palangga on the Quality of Life of the Community

Effectiveness is how well the work is done, the extent to which people produce the expected output. This means that if a work can be completed according to the plan, both in time, cost, and quality, it can be said to be effective.

1. Social Aspects

As with what has been implemented by PT. Wijaya Inti Nusantara in fulfilling the social responsibility of the community around the mining activity area, so to find out whether the implementation of Corporate Social Responsibility (CSR) carried out by the company can be said to be effective or not on the quality of life of the community in the three assisted villages in this case (Mondoe, Parasi, and Wawowonua) in South Palangga district. For this reason, the author explores information related to conducting joint interviews with the three village governments and also the community in each of the assisted villages (Three Villages).

Based on the results of an interview with the Head of Mondoe Village, in this case Mr. Aswan and one of the residents of Mondoe Village (Amiruddin), both of them are of the opinion that the implementation of Corporate Social Responsibility (CSR) carried out by PT. Wijaya Inti Nusantara on the quality of life of the people of Mondoe Village in particular is very effective, this can be seen from the community who has become better in the quality of worship and this has a great influence on the quality of life of the community both in terms of socio-economic and spiritual (religious).

Based on the results of an interview with the Head of Parasi Village, in this case, Mr. Tanra and one of the residents of Parasi Village (Nasir) both stated that the implementation of Corporate Social Responsibility (CSR) carried out by PT. Wijaya Inti Nusantara on the quality of life of the people of Parasi Village is very effective, this can be seen from the community who have a better quality of life in terms of spirituality (religion) in particular.

Meanwhile, the results of the last interview with the Head of Wawowonua Village, in this case Mr. Anwar, one of the people of Wawowonua Village, they are of the opinion that the implementation or implementation of Corporate Social Responsibility (CSR) carried out by PT. Wijaya Inti Nusantara on the quality of life of the people of Wawowonua Village is very helpful and can be said to be effective, this can be seen from people who have experienced better changes in their quality of life in terms of spirituality (religion).

2. Environmental Aspects

As with what has been implemented by PT. Wijaya Inti Nusantara in fulfilling the social responsibility of the community around the mining activity area, so to find out whether the implementation of *Corporate Social Responsibility* (CSR) carried out by the company can be said to be effective or not on the quality of life of the community in the three assisted villages in this case (Mondoe, Parasi, and Wawowonua) in South Palangga district. The author conducted a joint interview with one of the Mondoe Village governments and also the community in Mondoe Village. The first is the Mondoe Village government or the head of Mondoe Village, in this case Mr. Aswan, he stated that and also one of the people of Mondoe Village, in this case Mr. Amiruddin.

Based on the results of interviews from two parties, namely the Head of Mondoe village and one of the people of Mondoe village, both expressed the same opinion/response regarding the implementation that has been carried out by PT. Wijaya Inti Nusantara, where

the implementation carried out is in accordance with the expectations of the village government and the community in general.

The implementation of Corporate Social Responsibility (CSR) by PT. Wijaya Inti Nusantara in South Palangga, especially in assisted villages such as Mondoe, Parasi, and Wawowonua, has shown significant effectiveness in improving the quality of life of local communities. Effectiveness here refers to the extent to which CSR activities have succeeded in achieving the expected results in social and environmental aspects.

In the social aspect, an interview with the Head of Mondoe Village, Mr. Aswan, and one of the community, Amiruddin, showed that the implementation of CSR by PT. Wijaya Inti Nusantara is very effective in improving the quality of life of the community. The community has experienced an increase in the quality of worship and spirituality, which has a positive impact on the overall quality of life, both in terms of social, economic, and spiritual. The same thing was expressed by the Head of Pasi Village, Mr. Tanra, and the local community, Nasir, who also stated that the implementation of CSR is very effective in improving the quality of life of the community from a spiritual perspective. The Head of Wawowonua Village, Mr. Anwar, also emphasized that the CSR implemented by the company has helped the community significantly, especially in the spiritual aspect, so it can be said to be very effective.

In the environmental aspect, the implementation of CSR by PT. Wijaya Inti Nusantara is also considered effective by the community and the Mondoe village government. The Head of Mondoe Village, Mr. Aswan, together with Amiruddin, a local community, stated that the efforts made by the company have been in line with their expectations. The implementation of CSR has helped maintain and improve the condition of the surrounding environment, which ultimately has a positive impact on the quality of life of the community.

To understand more deeply the concept of social welfare related to the implementation of CSR, we can refer to four main concepts: economic welfare, social welfare, environmental welfare, and spiritual welfare. Economic welfare involves increasing income and reducing poverty in the community. Social welfare includes aspects such as education, health, and social security. Environmental welfare includes efforts to protect and preserve the environment to support a sustainable quality of life. Finally, spiritual well-being focuses on improving spiritual and moral life, which has a positive impact on social and individual harmony (Frey et al., 2018)

CSR implementation by PT. Wijaya Inti Nusantara in South Palangga shows that companies can play an important role in improving the welfare of the community in various aspects. This success shows that corporate social responsibility can have a real and positive impact on society and the surrounding environment.

CONCLUSION

Based on the results and discussion above, the conclusion that can be drawn in this study is that the Implementation of Corporate Social Responsibility (CSR) by PT. Wijaya Inti Nusantara in South Palangga District, South Konawe Regency, has proven to be effective in improving the quality of life of the local community. CSR programs which include mosque rehabilitation, road repairs, basic food assistance, scholarships, and reforestation have made a positive contribution in social and environmental aspects. Interviews with village heads and communities in the three assisted villages, namely Mondoe, Parasi, and Wawowonua, indicated an improvement in the quality of life, especially in terms of spiritual, social, and economic. In addition, reforestation efforts show the company's commitment to environmental conservation. The effectiveness of this CSR shows that the company does not only focus on profits but also plays a role in the sustainable development and welfare of the surrounding community. Through a structured and sustainable CSR program, PT. Wijaya Inti Nusantara has succeeded in creating a significant positive impact on society and the environment.

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