

Effectiveness Of Industrial Community Development Control With An Environmental Insight In South Sulawesi Province

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Abstract- Community empowerment programs that are package in the form of Corporate Social Responsibility (CSR) with Community Development (*Comdev*) to empower local communities affected by operations are conducted without a clear control format due to the absence of progress measurement tools in making and implementing programs. Empowerment is then only displayed as: road construction, community health center development, or capital assistance to community groups.

This research aimed to analyze the socio-economic condition and the implementation of *Comdev* system implemented by Industrial Company in South Sulawesi Province, positive and negative impact and their causes as well as the way of handling carried out based on these conditions. The lack of reference to community empowerment in programs created and labeled 'empowerment' shows that these programs are made in a way to lull community and reassuring the wider community who see and evaluate company's performance related to social responsibility.

The Efforts to overcome the problem of controlling Community Development activities that are environmentally-oriented industrial , which has been achieved until now, it has not reached the maximum results as desired. The solution of Community Development through the existing infrastructure to address the growing phenomenon of industry, actually has limited performance. Awareness and understanding of this matter, seems less or almost never socialized to the public. As a result, in the community environment formed an over-expectations perception of Community Development management that has been implemented, namely assuming that with the development of Community Development management infrastructure that refers to the regulation of both national and regional provinces, then a region will be free from social problems as well as the economy with the industry in their environment.

It can be inferred by the mistaken perception, the problem and the risk of loss due to the lack of control on the implementation of the Community Development program will continue to increase, and people tend to demand and blame the

government that has been considered a single regulator capable of liberating an area from social and economic threats, due to industrial growth.

Keywords: Effectiveness of Government Control

I. INTRODUCTION

The energy and mineral resource sectors in Indonesia up to now still highly contribute significantly to the national development process. The contributions given by these sectors are not only in the form of foreign exchange contributions to the state, but also can be seen from the multiplier effect that have been created by oil and gas and mining industries in the regions.

In addition to a large contribution to foreign exchange, various problems posed by the mining and oil and gas industries to surrounding communities such as pollution, uncontrolled natural use, population bombing, declining fauna populations, and imbalances in ecosystems cannot avoided.

Negative events that have befallen a number of companies, especially after reform, should be valuable lessons for owners and management of companies to provide better attention and responsibility to the community, especially around the company's location. Because the continuity of a business is not only determined by the level of profit, but also corporate social responsibility. What happens when many companies are demonstrated, blasphemed, and even damaged by the community around the factory or mining site?

One reason is the lack of attention and responsibility of management and company owners to the community and the environment around the location of the company. Investors only dredge and exploit natural resources in the area, regardless of environmental factors.

Such chaos should not occur if the company gives social responsibility to the community. Because if we implement practices that are environmentally and socially responsible, this will increase shareholder value, and have an impact on improving financial performance and guaranteeing sustainable success for the company.

In connection with the above, the industry or company is no longer required to only realize its image through a good campaign but must also be able to show its accountability to the public interest. Companies that can be responsible will pay close attention to Corporate Social Responsibility (CSR), which is supported by Good Corporate Governance. This is where it is important to then discuss the Community Development program as a manifestation of the company's social responsibility.

One of the Multiplier Effect that is donated by industries engaged in the energy sector and mineral resources is through community development programs. The Community Development programs implemented by the industry are not only part of Corporate Social Responsibility (CSR), but also in the framework of preparing Life After Mining / operations for the regions and surrounding communities.

The Community Development program has three main characters: community based, local resource based and sustainable. Two goals to be achieved are: target community capacity and welfare objectives. The first objective of community capacity can be achieved through empowerment efforts so that community members can participate in production processes or supporting institutions in the production process, equity with no distinction between status and expertise, security, sustainability and cooperation (cooperation), all running simultaneously.

Initially Community Development funds were disbursed to reduce the pressure of the local community, but in its development the program was able to change the condition of the local community, even some programs had a significant effect on programs launched by the government [10.] There are three important reasons why companies carry out Community Development activities, including: a) Local permits for the operation of the company in developing relationships with local communities; b) Knowing the social culture of local people; c) Organize and create future strategies through Community Development programs. The reputation of good relations between the company and the local community and Community Development can create new business opportunities [1]

Community development funds come from corporate profits, so community development will be available as long as the company is still operating. Therefore, the comdev carried out should have an impact in the long term, in the sense that comdev benefits can still be felt even after there is no comdev program. However, the current comdev program still does not provide benefits in the long term. Government policies to encourage and oblige private companies to carry out social responsibility are not so clear and clear, there are also many programs that have been implemented by companies that are not sustainable.

This study is localized, focusing on observing effective control system implementation in Comdev implementation, by line agencies and related stakeholders. Like the research, the basis on which the foundation is the formal rule both published at the central level and published by the provincial government

enlarge people's access to achieve better socio-economic-cultural conditions when compared to previous development activities" (Budimanta, 2003: 40). It is expected that the people living around the company can become more independent with better quality of life and welfare.

Consep of Community Development

In general, the vision of community development is "Creating a conducive and harmonious environment between the company and the community around the company's activities" (Budimanta, 2003: 41). while the mission of the social environment aspect is "Providing added value to the socio-economic value of the local government and especially the surrounding community" (Budimanta, 2003: 40), besides that the other mission is "As a vehicle for interaction between the community, local government and related parties (stakeholders) with the company (Budimanta 2003: 41). With the establishment of good interactions between these parties, it is hoped that it can prevent as early as possible the conflicts that may occur between the community and the activities of the company.

The concept of Community Development has been formulated in various definitions. The United Nations (UN) defines it: "As a result of the efforts of the people to increase the economic, social and cultural conditions of the community, to integrate these communities into the life of the nations, and to enable them to contribute fully to national progress "by Luz. A. Einsiedel [.6]. This is emphasizes that community development, is a "process" in which businesses or potentials owned by the community are integrated with government-owned resources, to improve economic, social, and cultural conditions, and integrate society in the context of national life, and empower them to be able to contribute fully to achieve progress at the national level.

Controlling

Controlling is a management activities related to examinations to determine whether the implementation has been carried out in accordance with the planning, the extent to which progress has been achieved and planning that has not yet reached progress and made corrections to the implementation that has not been completed as planned.

"Controlling is the process of determining what is to be done, evaluating implementation and when it needs to apply corrective actions to implementation according to plan" [9]

Controlling or supervision is often also called control is one of the management functions in the form of assessment, if necessary make corrections so that what is done can be directed so that the goals can be achieved., [9].

Controlling is an attempt to examine activities that have been and will be carried out. Control is oriented towards the intended object and is a tool to get people to work towards the goals they want to achieve [9]

In implementing Community Development this can be done by conducting examinations, matching, and seeking for assistance activities to the local community in accordance with the plans that have been set and the objectives to be achieved include community development covering social, economic, political, cultural, environmental and personal / spiritual.

III. RESEARCH METHOD

This study selected a number of districts / cities in South Sulawesi Province that have industrial estates, especially in Maros Regency (PT. Semen Bosowa),

II. LITERATURE REVIEW

Community Development can be defined as "Community development activities that are directed to

Pangkep Regency (PT. Semen Tonasa) and East Luwu District (PT Vale).

This study uses qualitative research, namely a study that seeks to observe a particular phenomenon or problem in depth in a particular environmental context and the type of survey research and in-depth study (field survey & independent study).

The main focus of this research is to observe the application of Community Development programs as a manifestation of Corporate Social Responsibility (CSR) of several companies that are the object of this research. Data sources are divided into two, namely primary data is data obtained from respondents through data interviewed by researchers with resource persons, and secondary data data records or documentation of government agencies, companies, financial statements of company publications, government reports, Data collection is done by observation and interview.

IV. RESULT AND DISCUSSION

Various efforts to overcome the problem of effectiveness of controlling industrial Comdev with environment-oriented regulation of provincial government which has been implemented to date, has not achieved the maximum results as desired. Comdev's handling solutions through existing infrastructure to 'fight' the growing phenomenon of industry, actually have limited performance.

Awareness and understanding of this matter, it seems less even almost never socialized to the public. As a result, in the community there is a perception that over-expectation of Comdev management has been carried out, namely assuming that the Comdev management infrastructure that refers to both national and regional provincial regulations is established, then a region will be free of social and economic problems with industry in their environment.

PT. Semen Bosowa Maros (PT SBM)

PT Semen Bosowa Maros is a company that manages a fully integrated cement business located in Maros South Sulawesi with a production capacity of two million tons of cement clinker per year and 2.4 million tons of cement per year. The cement plant is built on an area of 147 hectares (ha) and is equipped with access roads that support.

Since the beginning of the implementation of the cement plant construction project, the seeds of Comdev implementation have grown in PT. SBM. Year 1991, after the making of the deed of incorporation of the company dated January 25 1991 amid exploration and exploitation activities of PT. SBM has been concerned about the environmental, social and economic conditions surrounding its mining concessions. Initially the security approach became the cornerstone of the implementation of the Comdev program, because the motivation was to maintain a harmonious relationship with the community around the factory.

The study of the implementation of the Comdev program is not maximized. This can be seen from an interview with Ikhwani, one of the residents who is also the chairman of the Salenrang People's Union Community Organization, which said Salenrang was affected by dust, pollution and vibration. The effects of the pollution will

affect the level of soil fertility of residents and health such as lung, appendicitis, bowel downs, itching and coughing.

Head of General Affair Department of PT Semen Bosowa Maros said will examine the complaints of the citizens. Although it has set Baruga Village and Tukamasea into ring 1 of Bosowa plant but this complaint will be considered again.

Disclosure related to the implementation of activities has not done well. People tend not to know about the activities undertaken by the company. This happens because the public is less involved in the formulation and implementation of corporate CSR programs.

Disclosure related to the amount of CSR funds has also not been done well. People feel the company is less transparent in informing the funds they have spent.

Disclosure is made to communicate all CSR activities of the company. Lack of such disclosure may occur because the community and village government are less involved and participate in the realization of the program.

This happened because of a lack of communication and coordination between companies, communities, and village governments, which led to a lack of disclosure practices. In addition, the forum created by the company as part of the company's partnership with the community has not been able to help companies in informing their CSR activities because the forum does not touch all residents and village governments.

PT. Semen Tonasa

In the process, PT. Semen Tonasa focuses on providing working capital loans for people living around the industrial estate and Pangkep regency in line with the company's commitment to help local government to improve the community's economy in Pangkep regency which has an impact on improving the society's own welfare. PT Semen Tonasa believes that through the assistance of business capital loans provided and business coaching through mentoring, the community will be stirred to be independent and become entrepreneurs so that they not only rely on the profession of civil servants or employees of the company.

Herman Djide, one of the citizens who has conducted an environmental impact assessment by PT Semen Tonasa for so many years, expressed the grievance of the society, the contribution to the local community of PT Semen Tonasa, is very unbalanced with the environmental impact,

PT. Vale Indonesia

Mission PT. Vale Indonesia (Ex Inco) on community development programs is to facilitate social transformation in enhancing mutually beneficial relationships through technical assistance, information exchange and public discussion on capacity building, as well as ongoing application of research results. This community development aims to improve the living standards and welfare of local communities including providing a sustainable economic base that can become a substitute after mining activities of PT. Vale Indonesia (Ex Inco) is over.

Several Comdev programs have been implemented such as (1) aids 1,200 seeds of laying hens in Nuha sub-district, (2) assistance to small-scale entrepreneurs in malili sub-district, (3) development of

seaweed cultivation, (4) assistance for independent businesses around the mine site.

Nevertheless, the rejection of comdev is still being found as one of the residents said. "According to the data we obtained, some residents of Puncak Indah Malili are on the list of beneficiaries, they are generally complaining because until now the aid has never been received," said Rijal, Chairman of the Village Consultative Board (BPD) Puncak Indah Malili.

Various efforts to overcome the problem of Effectiveness of Community Development Control (Comdev) of Industry with environmental insight of The South Sulawesi Provincial Government Regulation, which has been implemented to date, has not achieved the maximum results as desired. The solution to handling Community Development through existing infrastructure to address the phenomenon of industrial growth, actually has performance limitations.

Awareness and understanding of this matter, it seems less even almost never socialized to the public. As a result, in the community there is a perception that over expectations for the management of Community Development has been carried out, namely to assume that with the development of Community Development management infrastructure that refers to national and regional provincial regulations, a region will be free from the social and economic as well as industrial problems in their environment.

From the field data that was collected, a number of records on the implementation of CSR and Comdev were obtained that were not accommodating to the wishes of the community.

Control of the implementation of Comdev, which has been running so far has not reached the stage of perfection because in practice it still causes various turmoil in the community. Even if it does not cause turmoil, there is still an attitude of dissatisfaction from the community, over the implementation of the Comdev, for various reasons, it happened at PT. Semen Tonasa in Pangkep Regency, and PT. Vale Indonesia (Ex Inco) in East Luwu Regency. Various approach strategies that have been implemented by PT. Semen Tonasa and PT. Vale Indonesia has not been able to reduce community dissatisfaction, especially those in 1-2 and 3 Ring, PT. Semen Tonasa and PT. Vale Indonesia.

Identification of the problem of implementing Comdev, at PT. Semen Tonasa and PT. Vale Indonesia, seems to have caused more social turmoil, something that did not happen at PT. Semen Bosowa Maros, which is relatively more calm and able to be overcome by company management. This shows that the control and supervision carried out have not run optimally both by the company concerned and the local community.

V. CONCLUSION

Some conclusions can be submitted as an illustration of what happened in the implementation of the Comdev program in the three companies studied including:

- a) Comdev is just an internal company program which in its implementation does not absorb the aspirations of the community.

- b) The implementation of the Comdev program is more one-way, where companies design programs without understanding the real conditions of the community, both those in Rings 1-2 and 3.
- c) of the implementation of Comdev is more of an administrative evaluation, rather than substantive, not only on internal company but also on other stakeholders.
- d) The main problem in implementing Comdev control is the difficulty in distinguishing between the interests of the community and the interests of elite groups, both within the scope of the local government and its related ranks, as well as elements of society in the form of non-governmental organizations, or traditional.
- e) The effectiveness of the Comdev implementation control, which is environmentally sound, also requires similar interpretations between companies, local governments, communities, and groups and organizations on behalf of the community.

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