



Ethnomethodology Study on The Implementation of Social Responsibility Activities at PT Pertamina Lubricants

Novika Dwi Indriyana, Rimi Gusliana Mais

Sekolah Tinggi Ilmu Ekonomi Indonesia Jakarta, Indonesia

Email: vika.viko91@gmail.com, rimigusliana@gmail.com

ABSTRACT

KEYWORDS

CSR,
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triple bottom line,
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Financial Services Authority Regulation No. 51/POJK.03/2017, social and environmental responsibility or abbreviated as TJSL is a commitment to participate in sustainable economic development in order to improve the quality of life and the environment that is beneficial, both for the company itself, the local community, and the community in general TJSL or what we commonly know as Corporate Social Responsibility (CSR) is part of sustainable development that must be carried out by all development actors, namely the government, the community, and also the business community. This study uses a qualitative method with ethnomethodology studies to reveal the practice of CSR implementation at PT Pertamina Lubricants from 2019 to 2023. The purpose of this study is to reveal CSR practices in an effort to maintain sustainability activities at PT Pertamina Lubricants. The triple bottom line and good corporate governance approach are used in this study. Data collection was carried out through interviews, field observations, and literature studies. The results show that PT Pertamina Lubricants has transformed its CSR practices by emphasizing Creating Shared Value (CSV). CSR practices during the Covid-19 pandemic are still ongoing by implementing applicable protocols. The triple bottom line bottom line approach, namely profit, people, and planet, and good corporate governance, has also been implemented.

INTRODUCTION

A company will have a positive and negative impact on the environment in which the company is located. One example of a beneficial impact is revitalizing the surrounding economy by creating new jobs and providing input for government revenue through taxes (Hidayah et al., 2020). The negative impacts are dysfunction, pollution in residential areas, and reduced quality of natural resources. This negative impact has caused concern from several circles that eventually led to the need for companies to include social responsibility issues as a solution of choice in their business world. Although economic development has experienced a significant increase from before, the fact is that Indonesia is still experiencing quite serious sociological problems. Facing this sociological situation, social responsibility or Corporate Social Responsibility (CSR) is one of the options in developing community welfare and improving the surrounding environment. CSR is an objective requirement for a sustainable development strategy (Xu, 2023). A company is not only obliged to integrate various beneficial resources but also pay more attention to external environmental conditions to promote the sustainable development of the company (Xu, 2023).

CSR is part of sustainable development that must be carried out by all development actors, namely the government, the community, and also the business community (Hirawan & Dinarwati, 2022). Development is essentially a process of change that occurs consciously, planned, and sustainably. The development carried out is not only tied to the responsibility of the government but also to the responsibility of the private sector and the community. Sustainable development must meet the needs of the present without compromising the future ability to meet its own needs. CSR is a form of obligation that has been established by the government since 2007, article 74 paragraph 5 which states that limited liability companies that run businesses in fields related to natural resources are obliged to carry out social and environmental responsibilities.

According to Financial Services Authority Regulation No. 51/POJK.03/2017, concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies, social and environmental responsibility or abbreviated as TJSL is a commitment to participate in sustainable economic development in order to improve the quality of life and the environment that is beneficial, both for the company itself, the local community, and the community in general. If these obligations are not carried out, the company will be subject to sanctions in accordance with the provisions of laws and regulations. Regulations on CSR are strengthened by Law No. 40 of 2007 concerning limited liability companies and Government Regulation No. 47 of 2012 concerning social responsibility and limited liability companies. The concept of CSR has become a selective solution part of business operations that was originally considered a mechanism to fulfill corporate social responsibility into a channel to maximize profits (Vo et al., 2020). According to Mathews, there are three reasons to report CSR information, namely: improving the company's financial and economic performance; increase the legitimacy of the company; and achieve social contact connections (Siddiqui et al., 2023).

It is possible that the relationship between CSR disclosure and organizational performance can arise when the organization is proactive in conveying good messages through the dissemination of CSR-related knowledge to meet stakeholder expectations (Blanco-González et al., 2023). CSR encapsulates the commitment of business moral obligations that contribute to the sustainable economic growth of a country while still paying attention to employees, families, and local communities (Akhter & Kabir, 2018). Business for Social Responsibility (2003) defines CSR as an integrative approach of several policies and procedures that seek to maximize their positive impact on society. According to (Carroll, 2021) there are four types of CSR activities, which include economic, legal, ethical, and philanthropic activities (Akhter & Kabir, 2018). Corporate social responsibility is usually summarized as the "triple bottom line" because this responsibility evaluates the company's policies and actions in achieving maximum profits, welfare for people and good for the earth.

Companies must respond to the priorities of the community, namely social, environmental, and economic welfare for both current and future needs. The concept of sustainable development became popular after being proclaimed by the Brundtland Commission under the leadership of Norway Prime Minister Gro Harlem Brundtland who worked from October 1984 to March 1987 and gave birth to the book "Our Common Future" published by the World Commission on Environment and Development (WECD) in 1987 (Suparmoko, 2020). The concept of sustainability is currently developing and being applied in the context of corporate sustainability where both state that business and investment will increase through the balance and needs of current and future stakeholders. Companies that carry out social responsibility activities gain the trust and commitment of consumers even though the impact of social responsibility and legitimacy actions on customer behavior is not always immediate because the impact varies.

(Elkington & Rowlands, 1999) revealed that the sustainability of the company is operationalized through the concept of a triple bottom line (TBL) consisting of economic, social, and environmental factors (Tjahjadi et al., 2021). Companies focused on TBL have shown an increase in their competitive advantage. The triple bottom line is very important because sustainable companies have the ability to increase greater social value, namely the triple bottom line business model because it can generate greater stakeholder value compared to traditional shareholder value.

The term triple bottom line also brings the company to the concept of sustainable development, namely the company not only prioritizes the company's values but also the three elements which include economic, social, and environmental (Febriyanti, 2021). This information is then presented in the form of a report separate from the company's financial statements, namely sustainability reporting. According to the Global Reporting Initiatives, sustainability reporting is the practice of openly measuring an organization's economic, environmental, and/or social impact and therefore also includes its positive or negative contribution to the sustainable development goals.

With the growing importance of the concept of sustainability as a company's main issue, Spreck Ley presents a theoretical framework for the triple bottom line, a theory that states that companies need to be responsible for society and the environment and focus on economic benefits to achieve their goal of sustainable management. To explain this theory in more detail, economic (financial gain), social (the company's participation in community contributions), and environmental goals (undertaking environmental conservation efforts) must be balanced and met for the sustainable management of the company (Shim et al., 2021).

Behind the development of CSR there is corporate governance or better known as Good Corporate Governance (GCG). GCG is a system in a company that regulates, manages, and seeks to add value to a company with various innovations. GCG is a rule and arrangement in which every step will be carried out by the company (Corporate Social Responsibility) to related stakeholders (stakeholders). The implementation of GCG in Indonesia has not yet met the expectations of all parties. GCG is increasingly important in business practices in Indonesia. Therefore, the implementation of GCG requires a strong commitment to make it happen. The implementation of GCG is highly regarded by investors in making investment decisions (Karina & Setiadi, 2020). The existence of GCG will convince investors that the company has been managed properly by the management for the survival of the company and also for the benefit of its shareholders. CSR disclosure is important for companies because CSR is a form of responsibility to improve the company's image. CSR activities can also be used as one of the company's competitive advantages that can increase sales because it can attract consumers. The realization of CSR and GCG practices in a company, the outcomes of these practices will affect the value of the company.

Indonesia has started implementing the Good Corporate Governance system since the signing of the Letter of Intent with the International Monetary Fund (IMF). In line with that, the National Committee for Corporate Governance Policy (KNKCG, 2016) believes that every company in Indonesia is obliged to implement CGC standards that are applied at the international level. Based on a survey conducted by the Asian Corporate Governance Association (ACGA), it shows that Indonesia is ranked 11th in the field of Good Corporate Governance (GCG), after China and the Philippines. The low score of GCG implementation in Indonesia shows that most companies in Indonesia still have a low understanding of the importance of GCG implementation (Worokinasih & Zaini, 2020).

According to Shank et al (2013) Good Corporate Governance is basically a system (input, process, output) and a set of rules that regulate the relationship between various interested parties (stakeholders), or in a narrow sense, namely the relationship between shareholders, the board of commissioners, and the board of directors in order to achieve the company's goals

(Orbaningsih et al., 2022). Corporate governance is a system used to drive and manage all company activities where the system has a great impact in translating business goals or in achieving corporate governance goals.

GCG is one of the pillars of the market economy system which is closely related to trust in the companies that run it and the business climate in a country (Pratiwi & Purbaningrum, 2023). The issue of Corporate Governance has come to the world's attention after the revelation of the biggest scandal and form of corporate corruption in the history of the United States involving the Enron company. Not long ago, there was a financial case of PT Garuda Indonesia, precisely in 2018. PT Garuda Indonesia manipulated the profit value by recognizing revenue early in 2018 in order to cover the company's financial condition that had lost money several years earlier (Bwarleling, 2020). As a result, PT Garuda Indonesia was asked to restate or re-present its financial statements in accordance with the Financial Services Authority Letter No. S-21/PM.1/2019.

Corporate governance has received special attention and was developed as an important mechanism over the past few decades as the rapid growth of privatization, the recent global financial crisis, and the development of financial institutions have strengthened the improvement of corporate governance practices (Guluma, 2021). A well-managed corporate governance mechanism plays an important role in improving company performance. In order to face increasingly fierce competition between companies, companies must assess the extent to which the implementation of good corporate governance has been implemented by companies based on the principles of transparency, accountability, responsibility, independence and fairness in order to provide effective protection of stakeholder trust (Worokinasih & Zaini, 2020).

There is a lot of debate about CSR, but socialization efforts continue to be carried out so that more companies realize the importance of CSR as part of the business relationship that involves the company and the surrounding community as the company's social environment. However, the CSR programs that are implemented often do not touch the root of the real community problem, namely unemployment. CSR Netherlands (2016) states that some of the main CSR issues in Indonesia are related to labor conditions, human rights and ethics, land use, the environment, and corruption (Pondalus & Fawzi, n.d.). In relation to employment conditions, CSR Netherlands states that Indonesia still uses labor methods or traditions in accordance with Indonesia's culture, for example the use of labor that is still children or minors.

Based on Trading Economy data, Indonesia is the country with the second highest unemployment rate in Southeast Asia in 2023, which is 5.45% in February 2023 (7.99 million people). Although this figure has decreased from February 2022 which reached 5.83%. According to the Central Statistics Agency, vocational high school graduates have the highest percentage unemployment rate in the last 3 years, so the goal of vocational high schools to have graduates who are ready to work has not been maximized. The data is still a homework not only for the government but also for companies in the community. From the company's side, it not only opens job vacancies by absorbing local workers, but can also create CSR programs that can optimize the resources of the surrounding community. Of the various types of CSR programs, the more effective and targeted are participatory empowerment-based CSR programs. This is because empowerment can take place in a sustainable and sustainable manner and the role of the surrounding community involved in the program. This phenomenon is the basis for the need for a corporate CSR program that answers the problem of unemployment in the community.

There are several previous studies on CSR that use qualitative methods with ethnomethodological studies. The first research came from (Paramita & Ali, 2023) which conducted a qualitative descriptive research with an ethnomethodological approach to reveal the participation of cultural actors as an effort to preserve Osing traditional culture in

Banyuwangi. The researcher analyzed the application of CSR in cultural aspects by local companies and the realization carried out by local companies on the development of traditional culture in Glagah District. After that, the researcher conducted a Focus Group Discussion (FGD) with parties who play a role in the preservation of Osing traditional culture by providing three alternative models of cultural CSR funding streams so that an agreement was reached that local companies would distribute CSR funds by providing direct guidance to actors or owners of cultural studios.

The next research from (Said & Junaid, 2020) focuses on corporate activities that can be used as a form or model for CSR implementation. Data collection was carried out through interviews, FGDs, field observations, literature studies while data analysis was carried out with an ethnomethodological approach. Researchers collect data and analyze it through the process of inducibility and reflectivity. The results of this study show that there is a meeting point between business interests and environmental social interests.

(Sumantri et al., 2022) also conducted research with an ethnomethodological approach. Here, the researcher acts as an interviewer as well as an observer and analyzes data from conversations and gestures. Conversation analysis is focused on sustainable business practices based on Tri Hita Kirana and portraits of daily behavior, while gesture analysis is used on changes in informants' gestures and facial expressions that occur spontaneously during interviews. This study concludes that the accountability business practices implemented by Village Credit Institutions in Panglan and Sanding villages have described the concept of sustainable business practices in the framework of local culture, namely Tri Hita Karana. With holistic accountability covering economic, social, cultural, environmental, and spiritual aspects, it will provide a necessity for business units to achieve sustainability.

(Hasanah et al., 2022) conducted research with a qualitative-ethnomethodological approach, exploring the activities or daily practices of Muslim street vendors (PMKL). The data obtained was in the form of qualitative data from in-depth interviews with 4 informants, namely pizza sellers, fresh graduates who work in culinary businesses, terang bulan sellers, and banana sellers who are es teler. This study concludes that PMKL implements the Triple Bottom Line, namely profits from sales obtained by PMKL set aside money to open new outlets to open job vacancies for the surrounding community and to buy sacrificial animals. People provide food waste and also prosper their employees by providing incentives for every sale, a form of social responsibility by cleaning surrounding outlets and disposing of garbage in its place. The implication of the study is that the more Social Responsibility practices carried out by PMKL, it will have an impact on the social dimension and the surrounding environment.

There are several studies on CSR activities at PT Pertamina where the results of the research are different. The first research came from (Ibrahim, Erdinaya, & Nugraha, 2021) conducting research on the implementation of CSR of PT Pertamina (Persero) in Papua Province. The purpose of this study is to find out how to implement CSR activities in the Siswa Knows Nusantara (SMN) program. The results show that in the planning stage of the CSR program of PT Pertamina (Persero), there are still some inconsistencies in the implementation of the CSR program due to the condition of the Papua region which has limited access to information and communication.

The results of the study are in line with (Ristiawan & Lestari, 2019) which examined the effectiveness of PT Pertamina (Persero)'s CSR program in Tambakrejo Semarang. The purpose of this study is to determine the effectiveness of the CSR program and to find out the factors that determine the effectiveness of the CSR program of PT Pertamina (Persero). The results of the study draw the conclusion that the effectiveness of PT Pertamina (Persero)'s CSR program in Tambakrejo has not been effective in terms of indicators of program understanding, accuracy of targets, timeliness, goals, and real changes.

However, there are several studies that conclude that the CSR activities carried out by PT Pertamina are effective. One example is a study from (Hidayat & Prabawati, 2024) which examines PT Pertamina EP's CSR activities in the Bojonegoro Regency area. The conclusion of the study is that the CSR activities carried out by PT Pertamina EP have succeeded in achieving the goals of CSR for environmental development. Although there are still some records and limitations in carrying out its CSR activities, PT Pertamina EP has managed to carry out some fields or alternate every year.

The research is in line with research (Gaus & Meirinawati, 2021) in Jambangan Village, Surabaya. The purpose of this study is to analyze the effectiveness of the CSR program of the Jambangan Hebat Economic Center (Official) of PT Pertamina (Persero). The result of this study is that the effectiveness of the CSR program of officials is on target. Real changes can be seen from the increase in profits of MSME officials after the CSR assistance.

From some of the research examples above, researchers are interested in researching CSR activities with ethnomethodology studies within PT Pertamina. According to (Moleong, 2013), ethnomethodology is part of a qualitative research group that uses a natural setting where observations of the behavior, perception, motivation, and actions of research subjects will be described in the form of words or language (Novarima et al., 2018). Ethnomethodology in general studies social interaction as a continuous process. The main data collection technique in ethnomethodology is observation. This technique is an advantage in ethnomethodology because: (1) As a continuous observation method and can record any changes that occur and does not depend on the participants' memories, (2) Verbal and nonverbal behaviors are studied in ethnomethodology, (3) Provide an understanding of how respondents are aware or feel really aware of the existence of research activities and how they answer the question. The researcher is interested in researching CSR activities at PT Pertamina, especially in one of PT Pertamina's subsidiaries, PT Pertamina Lubricants.

PT. Pertamina (Persero) is one of the largest state-owned enterprises in Indonesia engaged in the oil and gas business and has the responsibility to distribute energy to remote parts of the country. Access to reliable, affordable and sustainable energy is essential to improve living standards, development and economic growth. PT Pertamina (Persero) has been implementing GCG since 2009. As one of the state-owned companies, PT Pertamina must implement Good Corporate Governance as part of the change program that has been implemented by the Ministry of SOEs since October 2019. In the Regulation of the State Minister of SOEs Number: PER-01/MBU/2011 dated August 1, 2011 concerning the Implementation of Good Corporate Governance in SOEs, it is stated that: "(1) State-Owned Enterprises are obliged to implement GCG in a sustainable manner by referring to this ministerial regulation by paying attention to the provisions.

PT Pertamina (Persero) and its subsidiaries have been carrying out CSR since 1993. Until 2023, PT Pertamina is still carrying out CSR activities consistently and maintaining the effectiveness of the program so that it is on target. There are 4 main pillars in PT Pertamina's CSR program, namely Pertamina Sehat, Pertamina Cerdas, Pertamina Berindependent, and Pertamina Green. The reason why the researcher chose to conduct research at PT Pertamina Lubricants is because PT Pertamina Lubricants has complex business activities, so it can present PT Pertamina's business. PT Pertamina Lubricants is a subsidiary that has not been established for a long time, but has carried out international sales transactions, as evidenced by the establishment of the Pertamina Lubricants factory in Thailand. In addition, researchers have been indirectly involved in CSR activities at Pertamina Lubricants so that they have more value to get maximum data.

This study aims to investigate and describe how CSR practices in PT Pertamina Lubricants are conducted. The main reason for choosing PT Pertamina Lubricants is that PT Pertamina Lubricants often receives awards in the field of CSR, one of which is the ICSB

Presidential Award in supporting MSME activities. With ethnomethodological studies, researchers can understand the daily activities carried out by individuals in a community, namely PT Pertamina Lubricants workers and the community, especially individuals involved in PT Pertamina Lubricants' CSR activities. This research focuses on the economic field by investigating how the program is formed, planning, practices in the field, obstacles, and the results of these CSR activities. The focus of PT Pertamina Lubricants' CSR activities will also be examined in this study to see if there are any changes from 2019 to 2022. The reason is because the 4 years are the transition period of the covid-19 pandemic so that researchers are interested in analyzing CSR activities during that period. CSR activities are activities that must be directly involved in the field, so researchers want to find out if PT Pertamina Lubricants has special activities in dealing with the Covid-19 pandemic without eliminating CSR activities.

Based on the above background, the research on CSR activities for sustainability in the company PT Pertamina Lubricants is interesting to research. This is because if further explored the steps to implement CSR are inseparable from the policy results of the stakeholders that are the basis for CSR practices. This research uses a qualitative approach by conducting interviews with several officials and implementers of PT Pertamina Lubricants' CSR activities. Ethnomethodological studies were used in this study. Ethnomethodological studies are studies that focus on finding the meaning of daily activities agreed upon by community members (Oktanti & Kamayanti, 2016).

Ethnomethodology is an alternative research approach that can help researchers to understand and explain social practices in people's lives so that this approach can be used to understand the process of society in perfecting the regularity of social life through daily practices (Ukamah & Tumirin, 2020). Ethnomethodology focuses on the practices or activities of a group of people, so here it will be examined how PT Pertamina Lubricants workers carry out their CSR and how the community responds to these activities. This research is important because it is still rare to find CSR research of a company using ethnomethodology which is indeed relatively new in research science. Whether the practice in the field is in accordance with the needs of the community, therefore the researcher is interested in taking the title "Ethnomethodological Study on the Implementation of Social Responsibility Activities at PT Pertamina Lubricants".

RESEARCH METHOD

Understanding the paradigm for a researcher is important because it aims to be able to determine the methodology in his research. Specifically, this study uses a qualitative with an interpretive paradigm with the research design used is ethnomethodology where the purpose of this study is to further understand how Corporate Social Responsibility (CSR) practices in an effort to maintain sustainability at PT Pertamina Lubricants.

This research uses qualitative research, which is interpretive research (using interpretation) that involves many methods in analyzing the research problem (Nahria & Laili, 2018). Qualitative research is research conducted in a certain setting that exists in real life (natural) with the intention of investigating and understanding what phenomena occur, why they occur and how they occur (Ukamah & Tumirin, 2020). Qualitative methods can be used to reveal and understand something that is not yet known or can be used to gain insight into something that is just a little known. Basically, there are three main elements in qualitative research, namely: data, theoretical analysis and interpretation procedures, and written and oral reports.

RESULTS AND DISCUSSION

Analysis and Research Results

The purpose of this study is to understand more deeply the CSR practices within PT Pertamina Lubricants. In the collection of primary data, the researcher conducted direct

interviews with several informants. The interview was conducted directly at two locations, namely the head office of PT Pertamina Lubricants at the Grha Pertamina Building on Jalan Merdeka Timur No 11-13 Gambir Central Jakarta and the Patra Niaga MOR (Marketing Operation Region) Building 3 Jalan Kramat Raya No 59 Senen Central Jakarta. The first informant was Mr. Subhan as Senior CSR Officer, Mrs. Jeihan Hanum as User Task Force Region 3, and Mr. Kevin Rendra as CDO CSR User.

The following is the atmosphere of the interview conducted with the informant face-to-face with Mr. Subhan, Senior CSR Officer, in Grha Pertamina's office.



The next informant was Mrs. Jeihan Hanum, User Task Force Region 3, in the meeting room of the Patra Niaga MOR 3 Building.



The next informant was Mr. Kevin Rendra as a CDO CSR User in the office of the Patra Niaga MOR 3 Building.



In addition to collecting primary data through direct interviews with informants, the researcher also collected secondary data through the official website of PT Pertamina Lubricants (www.pertaminalubricants.com) and reports on PT Pertamina Lubricants' CSR activities.

CSR PT Pertamina Lubricants

Corporate Social Responsibility (CSR) or environmental social responsibility is the responsibility of an organization for the impact of its decisions and activities on society and the environment, through transparent and ethical behavior including:

1. Consistent with sustainable development and community welfare
2. Paying attention to the interests of stakeholders
3. In accordance with applicable law and consistent with international norms
4. Integrated in all organizational activities, in this sense includes both activities, products and services.

PT Pertamina Lubricants' CSR organization under the Vice President Corporate Secretary. The Senior

nal web and recreated by researchers:

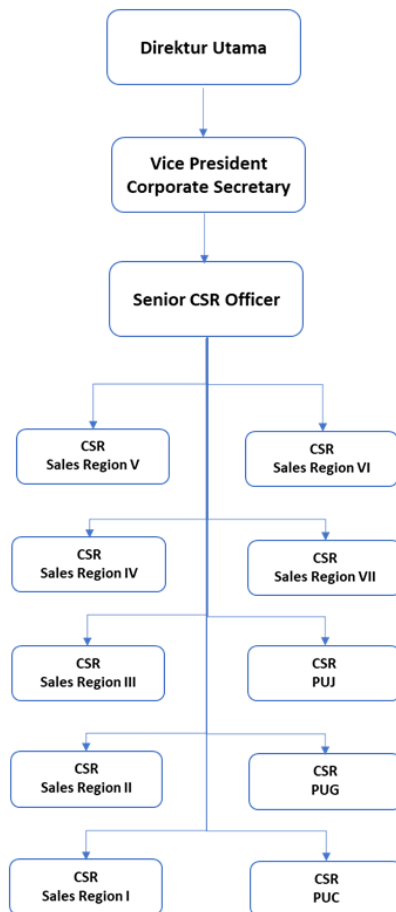


Figure 1 PT Pertamina Lubricants CSR Organization Chart

PT Pertamina Lubricants' CSR organization is under the Corporate Secretary. The Corporate Secretary is the neck organization of the President Director so that the responsibility is directly to the President Director. To help CSR activities in all regions, the central CSR Organization is assisted by the largest CSR team in all PT Pertamina Lubricants branch offices. The CSR team of the branch office consists of *the Human Resource division* and several workers who were appointed as Task Force through the Decree of the President Director.

PT Pertamina Lubricants has transformed the implementation of CSR by emphasizing *Creating Shared Value (CSV)* so that PT Pertamina Lubricants' CSR activities are divided into two, namely CSV and *non-CSV*. In this study, the researcher focuses on CSR activities that are CSV because they have more benefits to the needs of today's society. As said by the Senior CSR Officer, Mr. Subhan:

"From the beginning, the focus of PTPL's CSR activities was CSV. What is CSV? CSV stands for Creating Shared Value, it's cool. So a CSR activity that not only provides assistance but also provides added value for the company or you can say a CSR activity that answers the problems that exist in the surrounding community. Now the problem is what our society is, namely unemployment."

The CSR program is carried out around the company's work area as a form of corporate concern and social responsibility for the surrounding environment so that it can improve the quality of life and the environment which is beneficial for both the company, the local community, and the community in general. The procedure for planning PT Pertamina Lubricants' CSR program activities is as follows in accordance with Organizational Work Procedures No. B-002/PL0010/2019-REV.0:

1. The Corporate Secretary and Senior Officer of CSR prepare a CSR activity program plan for a period (one year) at the national and local levels and is described in the Quarterly program with the following criteria:
 - a. PT Pertamina Lubricants' main CSR programs include health, education, environment, and community empowerment.
 - b. Tailoring the program to the company's business strategy
 - c. Taking into account *social issues* both internal and external based on the scale of stakeholder interests
 - d. Adjusting integrated planning with local government development plans so that there can be synergy and equitable distribution of welfare
2. The Corporate Secretary receives proposals for activity programs from the Task Force that have been reviewed and approved by the Manager which has been prepared by the Senior CSR Officer into the Company's Work Plan and Budget or abbreviated as the Annual CSR RKAP.
3. The Corporate Secretary proposed the Annual CSR RKAP to Pertamina Pusat to conduct a Challenge Session on the Annual CSR RKAP submitted until it was approved.
4. The Senior CSR Officer received the Annual CSR RKAP as a result of the Challenge Session which had been approved by Pertamina (persero) to be submitted for approval to the President Director of PT Pertamina Lubricants in the form of a Budget Work Plan or abbreviated as RKA and a Joint Decree or abbreviated as the Annual CSR SKB.
5. The Corporate Secretary together with the Senior CSR Officer invited the Task Force to prepare for the implementation of CSR activities in accordance with the RKAP.

PT Pertamina Lubricants' CSR has been collaborating with Diponegoro University since 2018. Diponegoro University was appointed as a CSR partner because it had won a CSR tender which was attended by several agencies. Further interview with Mr. Subhan as Senior CSR Officer of PT Pertamina Lubricants:

"... every year PTPL conducts MBA tenders. Many of them are from several agencies and universities. Well, coincidentally, this year the winner of Undip from Semarang, Diponegoro. So Undip will later conduct observation and social mapping to provide input on appropriate CSR activities and of course cannot be separated from the CSV concept."

The CSR carried out is *social mapping*. *Social mapping* is an activity carried out by companies before creating a CSR program. *Social mapping* is the process of systematically depicting society and involves collecting data and information about the community, including the profile and social problems that exist in the community. This is necessary because *social mapping* provides an initial overview of the social, economic, and cultural conditions of community groups that are the company's CSR goals. So that with *social mapping*, it is hoped that CSR activities are right on target and have *better value* for the community and the company. PT Pertamina Lubricants divides CSR activities into 4 pillars, which are as follows:

Table 1 CSR Pillars of PT Pertamina Lubricants

Health	Environment	Community Empowerment	Education
Pertamina Sehati	Blessing Waste Bank	Enduro Student Program	Enduro Home Service
PTPL Cares about Disaster Response	Serial Waste Bank	Enduro Entrepreneurship Program	Enduro Friends of Santri
	Eco Tourism Village	Pertamina Friends of Fishermen	Tiger Pencak
	Pay with Trash	Prison Friends Enduro (Children)	Mandiri Monument
	Passion Fruit Village	Frontier Enduro	
	Sehati Betel Village	Enduro Friends of the Disabled	
	Climate Village	Enduro Friends of the Community	
	Community Mangrove Forest		
	Waste treatment		

The data of the 2022 PTPL TJSL RKA Realization Report was reprocessed by researchers.

Of the 4 CSR pillars of PT Pertamina Lubricants above, there are CSV and *non-CSV*. The division of characteristics is based on the needs of the community and the decisions of the upper management. The decision will affect the source of the budget obtained because CSR activities that are CSV get a budget from PT Pertamina (persero). PT Pertamina Lubricants' CSR activities are not limited to certain professions, such as fishermen, prison residents, vocational school children, and Islamic boarding schools can participate in PT Pertamina Lubricants' CSR activities. Through CSV values, PT Pertamina Lubricants builds a financially *sustainable* company so that it has a positive impact on society. PT Pertamina Lubricants runs various CSV-based innovation programs that focus on community empowerment and the development of knowledge that encourages independence and increases the competitiveness of communities and society.

As explained by the informant above, CSV is a concept that requires companies to play a dual role, namely in addition to creating economic value but also creating social value at the same time. PT Pertamina Lubricants is committed to building strategic partnerships that can create contributions to community empowerment and sustainable development through CSV programs. PT Pertamina Lubricants' CSR activities that are CSV include:

Enduro Student Program

The Enduro Student Program (ESP) is PT Pertamina Lubricants' CSV program that was launched in 2016 and is still running today. ESP is a series of education, training, and independent entrepreneurship programs, especially in the world of two-wheeled workshops for selected students from various leading Automotive and Engineering Vocational Schools. In accordance with the statement of Mr. Subhan as Senior Officer of CSR

".. Enduro Student Program. This is the target of vocational school students who are selected for mba. The purpose of this ESP is to train the spirit of entrepreneurship for vocational school children so that when they graduate, they can immediately practice it like that. The series is long from the selection of vocational schools, the selection of students, training, internships."

ESP's CSR activities consisted of a visit by the PT Pertamina Lubricants CSR team to the Bandung Job Training Center (BLK) related to contracts, program socialization to selected vocational schools, Participant Selection, Technical Meeting, Participant Internship at BLK Bandung, and the closing of the event.



Figure 2 Photos of CSR Activities

This activity is in collaboration with the Bandung Vocational Training and Productivity Center (BBPVP) and several selected flagship vocational schools in the Bandung area. The CSV value in the Enduro Student Program is to open up jobs for vocational school graduates so as to reduce the problem of unemployment in the community. From the company's side, PT Pertamina Lubricants' image improved and increased sales volume by opening a new workshop branch.

Enduro Entrepreneur Program

The Enduro Entrepreneur Program (EEP) is a development and continuation program of PT Pertamina Lubricants' CSR, namely the Enduro Student Program (ESP) which aims to channel the interests and talents of vocational school students in the field of automotive engineering where vocational school students have the opportunity to build independent entrepreneurship, especially workshops. As stated by Mr. Subhan:

".. from the ESP earlier, there must be results for each MBA participant. Those who have good grades will continue in this entrepreneurship program. We add training on waste treatment, marketing methods, especially about digital marketing which is now more efficient, then we provide capital in the form of environmentally friendly workshop packages like that."

This CSR activity plan consists of:

1. The provision of *digital marketing training* is education on how workshop owners can later market their services through social media so that they can attract *customers*.
2. Simple bookkeeping is for recording income and expenses so that workshop owners know how much profit they get and can monitor costs to avoid losses.
3. B3 waste treatment is hazardous and toxic raw material waste that is no longer used because it is damaged, packaging residues, spills, process residues, and used oil.
4. The provision of lubricant assistance for the new workshop is in the form of lubricants from PT Pertamina Lubricants.
5. The provision of environmentally friendly workshop packages so that workshop owners do not need to look for which workshop equipment is good in terms of technology and environmentally friendly because it has been provided by PT Pertamina Lubricants.



Figure 3 Photos of CSR Activities

The value of CSV in the Enduro Entrepreneur Program is to create young entrepreneurs and open new jobs for vocational school graduates so as to reduce unemployment in the community. From the company's side, it can increase the company's sales volume with the existence of new workshops specially fostered by PT Pertamina Lubricants.

Enduro Home Service

In order to form an entrepreneurial young generation, PT Pertamina Lubricants implements the Enduro Home Service (EHS) program with the main goal of supporting vocational schools to build *entrepreneurial* independence for students and provide added value for schools and school workshops. As conveyed by Mr. Subhan

“*Home Service aka call service. So that's what the workshop calls about. We know if the motorcycle has a flat tire or the car needs to be replaced, it's impossible for us to come to the workshop, so it will be more efficient if you use this service. And this can also serve oil changes and service as well, but the service is not as complete as when it is in the workshop. The community is helped and new job opportunities are born.*”



Figure 4.6. Photos of CSR Activities

This program combines competencies obtained from productive learning with entrepreneurship materials. Technically, EHS program participants are equipped with mechanical competencies, entrepreneurship, marketing management, and engineering sales so that the output is in the form of call services (*home service*) that can be used and help the community. The value of CSV in the Enduro Home Service program is to open up job opportunities for vocational school graduates and help the community by providing workshop services that can be called to home. From the company side, it can improve the company's image because the public feels helped so that the level of trust in the company increases.

Enduro Prison Friends (Children)

Enduro Sahabat Prison is a CSV program with the provision of mechanical training and the provision of capital assistance and workshop service facilities for marginalized groups (Correctional Assisted Citizens), as one of the efforts to foster WBP in preparing work skills after the prison period is over. Activities in the form of automotive training and the construction of the Enduro Express Workshop to improve mechanical skills and entrepreneurial skills for Correctional Assisted Citizens as a provision when the prison period is over. The objectives of this program are:

1. Improving *the spirit of entrepreneurship*, entrepreneurial knowledge, and mechanical skills of participants as a provision after the prison period is over
2. Improving coaching facilities for WBP in prisons
3. Supporting the economic independence and productivity of WBP after the prison period is over.



Figure 4 Photos of CSR Activities

The value of CSV in the Enduro Sahabat Prison Anak program is to provide provisions to prison inmates while in custody so that when they get out of prison, they have provisions about automotive workshops. The image of PT Pertamina Lubricants in the eyes of the government has increased because it helps by providing solutions for former prison members who are free by being equipped with workshop knowledge.

Enduro Boundary

Enduro Boundary is a CSR program that focuses on fostering and empowering small-scale workshops and village communities in the 3T area (disadvantaged, frontier, outermost) to become independent and competitive workshop entrepreneurs. Technically, the activities of this program are in the form of providing workshop business capital in the form of workshop equipment, workshop branding, entrepreneurship coaching and mechanic training.



Figure 5 Photos of CSR Activities

The objectives of this program are:

1. Improving the welfare of small-scale workshops in border areas
2. Increasing entrepreneurship, entrepreneurial knowledge, and mechanical skills for village youth
3. Improving the facilities and facilities of village youth workshops in border areas
4. Increasing the network and making it easier for local people to access Pertamina Lubricants lubricant products.

The value of CSV in this program is to develop small workshops in remote areas so that they can survive and compete in the future. From the company's side, it can increase sales volume by supplying lubricants to the workshop and raise the company's image in the eyes of the community and local government because it helps improve the community's economy.

Enduro Friends of the Community

The CSV program from the Enduro Sahabat Komuniti CSR program focuses on developing workshop businesses in the company's Ring 1 area that have been adjusted to *business mapping*. This activity is carried out through coaching the community to become professional entrepreneurs in the field of two-wheeled automotive.



Figure 6 Photos of CSR Activities

The value of CSV in this program is to maintain a harmonious relationship or *engagement* with the surrounding community so that the relationship between the company and the surrounding community is maintained.

Enduro Friends of the Disabled

The Sahabat Difabel CSR program is a program that empowers the Bantul community of people with disabilities by increasing knowledge and skills. This program focuses on coaching for the strengthening and independence of people with disabilities by being equipped with various training series.



Figure 7 Photos of CSR Activities

The CSV value of this program is that participants are able to pioneer a disability-friendly motorcycle modification workshop business and two-wheeled and three-wheeled motorcycle services. In addition, the company's image also rises because it cares for people with disabilities by helping their economy. This program involves the Bantul Disabled Care Forum (FPDB), the Bantul Social Service, and PT Pertamina Retail.

Enduro Friends of Santri

The Enduro Sahabat Santri (ESS) CSR program was formed in order to form a young generation of entrepreneurs. This program forms a workshop business managed by Islamic boarding schools and is facilitated and supervised directly by PT Pertamina Lubricants.



Figure 8 Photos of CSR Activities

The activities consisted of providing training, branding the workshop, providing *toolkits*, renting workshop land, providing work clothes and providing lubricant packages, and launching the workshop. The CSV value in the ESS program is to hone and improve *the entrepreneurial spirit* for students so that they have entrepreneurial readiness when they do not continue to college. In addition, PT Pertamina Lubricants is starting to be known among students so that it is one of the company's marketing methods.

Pertamina Friends of Fishermen

Pertamina Sahabat Nelayan is a program to coach fishermen and pioneer outboard/boat engines and ship engine workshops for the fishing community through the provision of ship engine skills, the provision of working capital, and the pioneering of fishermen's workshops as well as business assistance. The beneficiaries of this program are fishermen who live in remote areas who often have difficulty getting the nearest workshop so they have to bring the machine to the city. This program was initiated in 2020 and provides assistance in the development of fishermen's workshops in several cooperatives in Indonesia, including Cilacap, Gresik, and the North Sumatra area.



Figure 9 Photos of CSR Activities

The value of CSV in this program is to improve the competence of fishermen in the field of repair and maintenance boat diesel engine and can optimize the local fishermen's workshop so that in the future fishermen do not need to travel far to the city to repair the boat engine. From the company's side, it can improve its good image because the people in coastal areas are also helped by the program. With the increase in the company's image, the level of public trust in PT Pertamina Lubricants' lubricant products has increased.

PT Pertamina Lubricants' CSR Budget

In a company's activities, the budget is important after the work plan. The budget must be in line and meet the previously planned work plan so that the company's performance targets are achieved. PT Pertamina Lubricants is a business unit that has been separated by PT Pertamina Persero so that it has its own budget to carry out its business activities. However, in carrying out its CSR activities which are CSV, PT Pertamina Lubricants received CSR budget assistance from PT Pertamina (persero) after the annual CSR RKAP was approved. Mr. Subhan as Senior CSR Officer of PT Pertamina Lubricants explained:

"So before the budget goes down, of course there is a proposal, right. Well, each user task force in the region will propose an activity in the form of a ppt to be presented. Well, later what is interesting and useful, we will choose mba and we will submit it to the central Pertamina, namely holding, yes, now the name. Well, then not everything is immediately approved, it's still being selected again until the budget goes down."

Before the CSR budget drops from the center, *the user task force* must make a proposal for CSV CSR activities that will be carried out next year and presented by the central PT Pertamina Lubricants CSR team. The central CSR team will select CSR activities that are appropriate and on target after which they are submitted to Pertamina (persero) for re-analysis. *"The bailout fund is for example, this is a program, yes, 5 billion from PTPL itself, for that program only gives 1 billion or 2 billion It must be managed first, continue to realize, continue to be paid to the company, then go back again, rotate So if people say the fund is the term or the cushion of the term"*

PT Pertamina Lubricants received its CSR budget CSV after reimbursing its CSR activities to PT Pertamina (persero). The term bailout fund is used to describe the budget used during CSR activities before being *reimbursed* to PT Pertamina Persero. PT Pertamina Lubricants uses its budget for CSR activities and will then be replaced by PT Pertamina Persero when the accountability for CSR activities has been completed. Furthermore, the researcher interviewed Mrs. Jeihan Hanum on the recommendation of Mr. Subhan. Mrs. Jeihan Hanum is one of the workers at one of the branch offices, namely Sales Region 3, who has been in charge of CSR activities in the Sales Region 3 office since 2019.

"....the budget is from Persero, so we are given how much every year, so later we will reimburse to Persero according to the realization..."

CONCLUSION

PT Pertamina Lubricants allocates its CSR budget primarily from PT Pertamina (Persero) after a rigorous selection process, with some activities funded internally. The CSR programs align with company strategy and local government plans, focusing on health, education, the environment, and community empowerment. A designated Task Force, consisting of permanent employees appointed by local managers, oversees the implementation and accountability of CSR activities, following strict documentation and reporting procedures. The company adheres to a reimbursement system for its CSR budget, ensuring transparency and compliance with good corporate governance principles. PT Pertamina Lubricants' commitment to impactful CSR activities has been recognized through several awards, demonstrating their dedication to sustainable development and community welfare.

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