

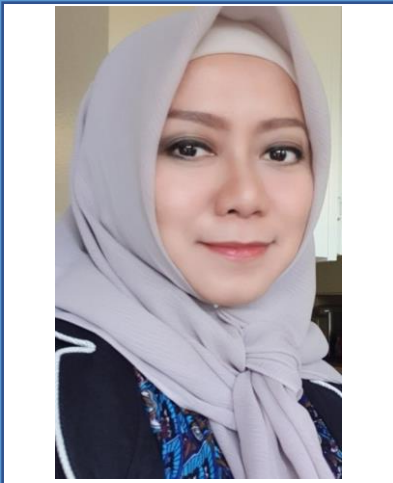
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CSR Programs of Municipal Water Utility Companies for Wetland Communities of South Kalimantan



Laila Refiana Said

Universitas Lambung Mangkurat
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Background

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- Many studies on Corporate Social Responsibility (CSR) are from private companies' perspective, analyzing social funds' effectiveness and efficiency.
- A few studies explore CSR programs of municipal utility companies.
- The municipal utility company is unique because it has a captive market/audience, and the Government regulates the company. These factors impact company's CSR strategy.



Research questions

- How was the implementation of the CSR program carried out by the municipal water utility companies?
- How was the effectiveness of the CSR program?
- What kind of CSR program fits the characteristics of the wetland community in South Kalimantan?

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Research Methodology

Research Subjects

- The research subjects were CSR programs in two municipal water utility companies of South Kalimantan, namely Bandarmasih (located in Banjarmasin City), representing urban wetlands, and Intan Banjar (located in Banjarbaru) which service area includes Banjarbaru city and Banjar regency, represents rural wetlands.
- The municipal water utility companies were chosen because they partner closely with local governments in the regional development programs and are active in CSR activities. Bandarmasih is a relatively sizeable municipal water utility company, located in the provincial capital, serving the most populous areas. Intan Banjar was chosen because it is one of the excellent municipal water utility companies based on the Good Corporate Governance (GCG) in Indonesia.



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Research Methodology

- Research informants by purposive convenient sampling method were:
 - The community members who received CSR benefits.
 - The management of municipal water utility companies.
 - The employees who handled CSR programs.

- Data Collection

This study utilized primary and secondary data. Secondary data related to CSR programs were obtained from the companies, including the CSR implementation strategies. Field observations were carried out to analyze the characteristics, natural resources, and human resources of wetlands. Focus Group Discussions (FGDs) were conducted to explore the potential, interests, and expertise in the research location in the context of empowerment programs to create community welfare.

- Method of Analysis

The analytical method used in this research was descriptive exploratory analysis. This method provides an overview of the research subjects through data or samples collected just as they are.



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Research methodology

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- Measurement model based on:
 - Knowledge of the characteristics of the form of business/organization and core competencies of the business
 - Knowledge of the characteristics of the community in which the company operates
 - CSR programs' design considers company's vision and mission and the local community's needs based on a preliminary survey.
 - A consensus process between management and the Government as the shareholder to implement a CSR program based on the beneficiary community's characteristics and needs.
 - Evaluation of CSR programs, among others, through community satisfaction surveys, perceptions of corporate image, and financial performance.

Findings: The implementation

Category analysis	Sub-category analysis	Coding
1. Company strategy	01. CSR program design is based on the company vision	0
	02. CSR programs are implied in the company's mission	0
	03. CSR programs are listed in the social responsibility policy company	0
2. Process	04. Survey of the beneficiary	0
	05. Determination of CSR programs through a consensus process between management and local Government based on point 04	0
3. CSR implementation	06. National program implementation	1
	07. Local program implementation based on the characteristics and needs of beneficiary communities	1
	08. Implementation of local programs based on community needs during the Covid-19 pandemic	1
4. CSR evaluation	09. Conducting community satisfaction surveys	0
	10. Conducting company image surveys	0
	11. Conducting financial performance evaluations	0

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	10. Conducting company image surveys	0
	11. Conducting financial performance evaluations	0

Findings:



- The CSR programs of the two companies have been implemented quite well but are categorized as ineffective based on the failure to fulfill the following indicators of the CSR effectiveness measurement model:
 - The CSR program designs have not been based on the company's vision and mission.
 - The CSR program designs have not been based on the characteristics of the community in which the company operates.
 - The CSR program's designs did not consider the company's vision and mission and the national program according to the local community's needs based on a preliminary survey.
 - The choice of CSR programs has not gone through an evaluation process between management and the local Government as its shareholder, based on the beneficiary community's characteristics and needs.
 - Evaluation of CSR programs through community satisfaction surveys, perceived corporate image, and financial performance has not been implemented.



Conclusion

- It is quite challenging for municipal water utility companies to focus their programs on critical social issues through specific or unique CSR programs from a strategic perspective. This challenge situation is because the customers are broadly varied. Therefore, to meet many people's expectations, it is not surprising that municipal water utility companies tend to carry out sporadic activities by simply fulfilling proposals for funding requests from the community.
- Even so, the companies should continue to improve themselves to develop a better corporate image. Companies can cooperate with the organization, nationally and internationally, which is related to its core business competence so that the activities carried out are more focused and sustainable. Each company can have a signature CSR program considering its vision and mission, core business competence, and South Kalimantan's wetland communities' needs.

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Some examples of signature programs



- Following the uniqueness of Banjarmasin city as called 'the city of a thousand rivers,' CSR programs proposed:
 - Supporting river conservation, socializing the importance of clean rivers to the community, optimizing floating market tourism and other water-related business (based on the core business competence of Bandarmasih).
 - Supporting other wetlands environmental awareness programs.
 - MSMEs training and assistance programs, especially those that support the potential for the empowerment of natural resources and expertise in wetland communities, such as supporting woven handicrafts, local foods, etc., to promote Banjarmasin city tourism.

Some examples of signature programs

- Based on the interest reflected in Intan Banjar's mission in information technology applications, the potential signature program might be supporting Banjarbaru as a Smart city (part of the national program).
- Supporting the development of public facilities for cultural and religious tourism.



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Thank you

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