Effects of Corporate Social Responsibility Communications on Community Empowerment in Pekanbaru

Anuar Rasyid
University of Riau, Riau, Indonesia

Belli Nasution
University of Riau, Riau, Indonesia

Abstract---Community empowerment is one of the goals to be realized through the company’s CSR program. The purpose of the study was to analyze the effect of PTPN V's CSR communication in empowering the community in Pekanbaru. The research uses quantitative methods. The population in this study was 528 people. Samples were taken by accidental sampling technique of as many as 250 people analyzed using the SEM (Structural Equation Modeling) test. The data was processed using LISREL 8.7 software. The results of the study indicate that there is an effect of corporate CSR communication on community empowerment. The element of CSR communication that has the most effect on community empowerment is the message element. The elements of communication consist of messages, channels, and communication disturbances that affect community empowerment positively, while communicators and the communication environment have an effect in a negative direction.

Keywords---communication disturbance, communication environment, communicator, CSR communication effect, message.

Introduction

Corporate Social Responsibility (CSR) is one model of community empowerment. Every company must adhere to the 3P principles (profit, people, and planet), which in addition to pursuing profit, must also pay attention to the welfare of the community around the company's work area, as well as the preservation of the world and its contents (Nasdian, 2014). The role of the business world is quite strategic through CSR programs to help the government in moving, even accelerating the pace of the regional economy. So that, in turn, will contribute to an increase in the purchasing power index due to reduced unemployment.
PTPN V is one of 28 SOEs in Riau, has implemented CSR programs since 1997. Based on a pre-survey of 30 respondents, the problems seen include decreased distribution of CSR, uneven information for the surrounding community, and top communication down without involving the community in various matters. There is very little training for the community; as many as 73% or 22 respondents only received training once. Pekanbaru City is one of several regencies/cities around PTPN V. Pekanbaru City is the area closest to PTPN V’s head office from several other regencies/cities. The people in Pekanbaru City more diversely accept the assisted sectors compared to other districts/cities.

CSR/PKBL communication problems allegedly occurred in the initial process. PKBL/CSR employees only announce proposals through the Cooperatives and Micro, Small, and Medium Enterprises (SMEs) Office. The public did not know of the soft loans disbursed by PTPN V. The only people who received soft loan assistance were those who had acquaintances with PTPN V employees. Furthermore, people who had received previous loans or requests from other agencies in need. This is also following the results of the pre-survey from 30 respondents; around 80% or 24 people know information about PTPN V CSR soft loan assistance through friends and acquaintances who work as PTPN V CSR employees.

The communication carried out by CSR PTPN V to the community is one-way and top-down communication because it does not involve the community to determine various things. This is contrary to the spirit of two-way, participatory communication. This is based on interviews with the head of farmer groups who received assistance from PTPN V CSR.

There is very little community empowerment in the form of pieces of training for the community. This can be seen from a survey of 30 respondents; as many as 73% or 22 respondents only received training once during the assistance from CSR PTPN V. Head of Sub Division. The Department of Cooperatives and SMEs also stated that people who want assistance from SOEs must be proactive in seeking information. The Department of Cooperatives and SMEs only provides assistance information when there is training (Patzer, 1983; Kim et al., 2009).

Various studies related to aspects of communication and community empowerment include (1) findings related to communicators; (2) findings related to messages; (3) research findings related to communication channels/media; (4) findings related to effects; (5) findings relating to the disorder; (6) findings related to the communication environment; (7) findings related to community empowerment (Gotsi & Wilson, 2001; Argenti & Druckenmiller, 2004; Dowling, 2004; Brammer & Pavelin, 2004; Porter & Kramer, 2006; O’Callaghan, 2007; Hardjana, 2008; Walker, 2010; Dowling, 2004; Fombrun et al., 2000). The problems from facts and data can be seen uneven information for the people around Pekanbaru City and top-down communication without involving the community in various things. Then at least training in community empowerment. Based on the various phenomena of the problems that have been put forward, the study aims to analyze the effects of PTPN V’s CSR communication on community empowerment in Pekanbaru.
**Method**

The research was conducted in the working area of PTPN V in Pekanbaru. The National Plantation Limited Company (PTPN V) is located at Jl. Rambutan No. 43. Pekanbaru. This research was conducted on the community around PTPN V, who received assistance from the PTPN V CSR partnership program in Pekanbaru. This study was designed using a quantitative approach (Andreu et al., 2015; Viererbl & Koch, 2022). Data collection was carried out in four stages: (1) Preliminary survey of 30 recipients of PTPN V CSR assistance; (2) The primary data collection is using an instrument in the form of a closed questionnaire distributed to 250 respondents. The population in this study were people who received soft loan assistance in Pekanbaru City in 2013, 2014, 2015, 2016, as many as 528 people. Sampling in this study was done by an accidental sampling of as many as 250 people. SEM analysis (Structural Equation Modeling) analyzes the effect between communicators, messages, channels, distractions, and communication environment on community empowerment (Dobele et al., 2005; Park & Kim, 2008). The data was processed using LISREL 8.7 software. The data processing stage starts from editing, tabulating, compiling, and entering data (data entry) using Excel and SPSS (Statistical Package for Social Sciences) software. Furthermore, the data were analyzed with the help of LISREL 8.7 software equipped with Prelis and Simplis programs (Papanikolaou et al., 2002; Stone & Veloso, 1999).

Researchers analyzed the effects of PTPN V CSR communication on community empowerment in Pekanbaru. PTPN V’s CSR communication includes X1 Communicator, X2 Message, X3 Channel, X4 Communication disorder, and X5 Communication environment, while Y is community empowerment that effect of the variables X1, X2, X3, X4, and X5 on Y.

**Discussion**

In general, it can be stated that based on the GFT criteria through the overall fit test, the test results obtained from each criterion are included in the fit category. The model that has been tested can estimate the population covariance matrix or the estimation results of model parameters that can be applied to the study population. According to Wijanto & Andriono (2008), the results of the structural model fit test show a suitability/feasibility based on several Goodness of Fit Indices (GOFI) measures, namely absolute fit (RMSEA, GFI), incremental fit measures (AGFI, NFI, RFI, IFI, and CFI).

Based on the test results on the fit of the model, it is known that the RMSEA is 0.077 (< 0.08), CFI = 0.96 (> 0.90), IFI = 0.96 (> 0.90), Std. RMR 0.083 (≤ 0.10) GFI = 0.95 (> 0.90), and AGFI = 0.93 (≥ 0.90). The model shows that the GFI and AGFI values are above 0.90, so all dominant structural models that affect the company’s reputation, which are analyzed, are fit. These values indicate that the theoretical model of the model of communication elements consisting of variables from the communicator, message, channel, receiver, disturbance, environment, and perceived effect is suitable to explain the effect (community empowerment) (Thomée et al., 2007). A summary of the results of the feasibility of the structural model that affects community empowerment is in Table 1.
Table 1
The goodness of fit index model SEM

<table>
<thead>
<tr>
<th>GOFF</th>
<th>Calculation Result Value</th>
<th>Standard Value for Good Match</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>RMS</td>
<td>0.077</td>
<td>0.08</td>
<td>Good Fit</td>
</tr>
<tr>
<td>CFI</td>
<td>0.96</td>
<td>0.95</td>
<td>Good Fit</td>
</tr>
<tr>
<td>IF</td>
<td>0.96</td>
<td>0.90</td>
<td>Good Fit</td>
</tr>
<tr>
<td>Std. RMR</td>
<td>0.083</td>
<td>0.10</td>
<td>Good Fit</td>
</tr>
<tr>
<td>GFI</td>
<td>0.95</td>
<td>0.90</td>
<td>Good Fit</td>
</tr>
<tr>
<td>AGFA</td>
<td>0.93</td>
<td>0.90</td>
<td>Good Fit</td>
</tr>
</tbody>
</table>

Table 2
Hypothesis testing of SEM model

<table>
<thead>
<tr>
<th>No</th>
<th>Hypothesis</th>
<th>Coefficient of Influence</th>
<th>T count</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>X1 (\rightarrow) Y</td>
<td>-0.22</td>
<td>3.11</td>
</tr>
<tr>
<td>2</td>
<td>X2 (\rightarrow) Y</td>
<td>0.85</td>
<td>36.20</td>
</tr>
<tr>
<td>3</td>
<td>X3 (\rightarrow) Y</td>
<td>0.11</td>
<td>22.73</td>
</tr>
<tr>
<td>4</td>
<td>X4 (\rightarrow) Y</td>
<td>0.07</td>
<td>20.66</td>
</tr>
<tr>
<td>5</td>
<td>X5 (\rightarrow) Y</td>
<td>-0.11</td>
<td>19.95</td>
</tr>
</tbody>
</table>

*) Significant at 5% alpha, because it has a value of t count > t table (1.96)

Table 2 shows that the influence of the communicator (X1) on community empowerment (Y) is significant and harmful because it has an at-count value (3.11) > t table (1.96). The coefficient of paths -0.22 means that the relationship between communicators (X1) and community empowerment (Y) is not unidirectional. Then the effect of the message (X2) on community empowerment (Y) is significant and cheerful because it has an at-count value (36.20) > t table (1.96) and a coefficient of 0.85. This means that the influence of the message (X2) is in the direction of community empowerment (Y). Furthermore, the influence of the channel (X3) on community empowerment (Y) is significant and cheerful because it has an at-count value (22.73) > t table (1.96) and a coefficient of 0.11. It means that the influence of the channel (X3) is in the direction of community empowerment (Y). The effect of communication disorders (X4) on community empowerment (Y) is significant and cheerful because it has a count (20.66) > t table (1.96) and a coefficient of 0.07. It means that the influence of communication disorders (X4) is in the same direction towards community empowerment (Y). At the same time, the influence of the communication environment (X5) on community empowerment (Y) is significant and harmful because it has a value of t count (19.95) > t table (1.96). The coefficient of paths -0.11 means that the relationship between the communication environment (X5) and community empowerment (Y) is not unidirectional.

Table 1 shows the influence of the analyzed variables on community empowerment, which has a very significant effect on \(R^2 = 0.05\), namely communicator variables, channels, messages, communication disorders, communication environment, respectively: -0.22, 0.85, 0.11, 0.07, and -0.11. While the t-count values are respectively 3.11, 36.20, 22.77, 20.66, and 19.95, and the value of \(R^2 = 0.73\), meaning that the simultaneous influence of these five
variables on community empowerment is 0.73. This shows that X1-X5 can explain the diversity of Y by 73%, and the remaining 27% is explained by other variables (which are not yet included in the model).

**Effects of CSR communication on community empowerment**

The effect of PTPN V CSR communication on community empowerment is shown in Figure 1. Figure 1 shows that the factors that significantly influence community empowerment are all variables consisting of: (1) PTPN V CSR communication, (2) communication disorders, (3) communication environment. The data in Table 1 shows that there is a direct influence of the analyzed variables on community empowerment, which has a very significant effect on = 0.05, namely CSR communication variables, communication disorders, communication environment, each coefficient:

The formulation of the hypothesis is as follows: "CSR communication, communication disorders, communication environment have a natural effect on community empowerment. Testing the first hypothesis is done by comparing the value of t-count with t-table for each variable. If the t-count value of PTPN V CSR communication variables, communication disorders, communication environment is more significant than t-table (1.96), and the genuine level = 0.05, then the null hypothesis is rejected, and the alternative hypothesis is accepted. The t-count value is presented in

The t-count analysis in Table 2 shows that the exogenous communicator latent variable (X1) positively affects the endogenous latent variable of community empowerment (Y). The indicators or variables observed by the communicator consist of; credibility, the attractiveness of resources and power, good thoughts, good morals, and good intentions. This fact indicates that the improvement of communicator ability can affect the improvement of community empowerment.

PTPN V communicators are considered to have good credibility, attractive source and power capable of influencing the community, good thoughts, good character and good intentions (Hovland & Weiss, 1951; Sendjaja, 2008; Cangara, 2007). The research results conducted by Madlock (2008), on the effect of supervisory communicator competence and leadership style on employee work and communication satisfaction were essential. Participants 220 people (116 men and 104 women) worked in various companies in the Midwest. The findings show that the competence of supervisor communicators accounts for 68% of communication satisfaction.

Furthermore, Situmeang et al. (2012), analyzed Pertamina’s CSR program communicators. The study results found that the communication skills carried out by the activity program companions were two-way communication or interactive communication, so that they did not cause differences in the intended meaning. The activity program assistant appointed by Pertamina is a program companion with competencies that are following the community's needs so that they can mobilize the community they are accompanying as expected and can communicate well.
The message variable (X2) is the most influential variable on the community empowerment variable (Y). The results of the t-count analysis in Table 2 show that the exogenous latent variable of the message (X2) has a positive effect on the endogenous latent variable of community empowerment (Y). This suggests that the increase in messaging capabilities can affect the increase in community empowerment (Rasyid & Nasution, 2021; Telep et al., 2021).

All observed variables or indicators influence the exogenous variables of the message. The message indicators considered significant include: program planning, program implementation processes, program compatibility, program output (Rusdiyana, 2010), according to recipient needs, novelty, trustworthiness, ease to understand, solving user problems (Sperber & Wilson, 1986).

The findings of Tewari & Dave (2012), that the sustainability report for publishing the IT sector with global standards and international benchmarks stated by GRI is achieved by a more significant percentage of Indian companies than multinational companies operating in India in the information and technology (IT) sector. Likewise, the results of research by Margolis & Moreno-Riaño (2016), show that the web has become an essential tool for communication for CSR/CC/SD issues, although its use is limited to specific content. Verboven, (2011), findings show that most chemical companies use the slogan of a mission to share their value proposition and present their activities, which often experience euphemistic stigmatization. Rasyid et al. (2015), state that there is a very significant relationship (p<0.01) between the message variable and community empowerment. This shows that a well-delivered message can increase community empowerment (Dash, 2019; Koutchadé et al., 2018).

The results of the SEM test show that the t-count analysis (Table 2) channel exogenous latent variable (X3) has a positive effect on the endogenous latent variable of community empowerment (Y). This means that the increasing use of channels will be able to increase community empowerment. The channels used in the partnership program are interpersonal channels and public channels. Group and mass channels are used very little. Even if the mass channel is used little, it can affect the channel variable (Kustina et al., 2019). Theories related to channels include interpersonal channels, group channels, public channels and mass channels PTPN V employees need to consider the mass media to inform the public about CSR programs (Cangara, 2007; Sendjaja, 2008; Rogers, 2010).

CSR programs are communicated to various stakeholders, organizations using internal and external channels. These internal and external channels include newspapers, intranets and websites, blogs, annual reports, magazines, press releases, etc. Interpersonal channels or individual relationships are suitable media to use: couriers (messengers), letters, and telephones. Interpersonal media is used in interpersonal communication. The number of actors involved can be more than two people, as long as the message or information conveyed is private (Cangara, 2007; Sendjaja, 2008).

Cangara (2007), states that public media is used for an audience of more than 200 people. For example, at rallies, giant meetings, and the like. The same thing was also conveyed by Sendjaja (2008), communication aimed at the broader
community directly without mass media, for example, lectures, speeches in the open field. The nature of the message content concerns the interests of the people, not personal.

PTPN V CSR employees are significantly less using various mass channels when communicating with the public. The unused mass channels include local radio, TV, social media, newspapers, folders, fosters, banners, VCD brochures, and traditional media. Sendjaja (2008), states that mass media is a channel used during mass communication or communication with the broader community. McQuail (2011), states that the mass media is a power source to control, manage, and innovate in society that can be utilized as a substitute for power or other resources. Furthermore, mass media has several characteristics as expressed by Cangara (2007), as follows: (1) Institutional in nature: those who manage the media consist of many people, starting from collecting, managing, to presenting information; (2) It is one-way: the communication is less likely to allow dialogue between the sender and the receiver. For example, if there is a reaction or feedback, it usually takes time and is delayed; (3) Widespread and unison: can overcome the obstacles of time and distance due to having speed. Moving widely and simultaneously, where the information conveyed is received by many people at the same time; (4) Using technical or mechanical equipment: such as radio, television, newspapers, and the like; (5) Open nature: messages can be received by anyone and anywhere regardless of age, gender, religion, and ethnicity. Some forms of mass media include mechanical communication tools such as newspapers, films, radio, and television.

Rogers (2010), says that two kinds of communication channels can convey messages about agricultural development or agricultural information, namely mass media channels and interpersonal channels. The same thing was also stated by Sendjaja (2008), that in general, there are two communication channels to disseminate messages: personal communication channels (personal channels) and non-personal communication channels (non-personal channels) or commonly referred to as communication channels through mass media. Meanwhile, Cangara (2007), divides communication media into four groups. The four media groups or channels are an interpersonal, group, public, and mass media.

In contrast to the results of Situmeang et al. (2012), research, Pertamina uses mass media to convey information about CSR activities so that by consuming mass media, the public becomes aware of the CSR activities that will be implemented. Print media often convey information on CSR activities carried out include brochures, posters, banners, and local newspapers, while the electronic media used is local radio Indramayu. The choice of mass media used depends on how vital the information conveyed is and how broad the target audience is.

These internal and external channels include newspapers, intranets and websites, blogs, annual reports, magazines, press releases, etc. According to Cerin (2002), the chosen communication channel depends on the company's media. While the views of Deegan et al. (2000), Neu et al. (1998), that communication channels depend on company size, company age, country of origin, country of operation, public pressure. According to Buhr (1998), Deegan et al. (2000), O'Donovan, (1999), communication channels depend on potential threats to the company.
Furthermore, Sones et al. (2009), stated that the importance of channels is also governed by corporate control. Then Du et al. (2010), Simmons & Becker-Olsen, (2006), Yoon et al., (2006), stated the control could be exercised over the content of messages transmitted through the channel and not exclusively by the reach of the channel. However, at the same time corporates should ensure that they are guarded against higher stakeholder skepticism about communications sent through corporate sources from sources-non-corporate sources and especially if through neutral sources such as well-known NGOs.

The results of the t-count analysis (Table 2) show that the exogenous latent variable of communication disorders (X4) has a positive effect of 20.66 on the endogenous latent variable of community empowerment (Y). The more interference can be minimized in the communication process, and the more community empowerment can be increased. The community feels that very few disturbances occur in the communication process of PTPN V Pekanbaru's CSR program.

The community does not experience psychological difficulties regarding ethnicity, religion, and social status of employees as implementers of the PTPN V CSR program. The term used when communicating with CSR employees of PTPN V. Regarding technical problems (Cangara, 2007; Riswandi, 2017), people feel that there are no significant disturbances related to technical equipment when communicating. They easily communicate face-to-face without interference from cell phone ringing, broken speakers, broken microphones, or noise, so the voice is unclear during counseling/lectures/training. Infocus also displays clear images, and the power remains stable when training.

The results of the t-count analysis in Table 2 show that the environmental exogenous latent variable (X5) positively affects the endogenous latent variable of community empowerment (Y1). This shows that the improvement of the communication environment can affect the improvement of community empowerment. It means that the better the communication environment's condition, the better the community empowerment will be. Environment or situation are the determining factors that can affect the course of communication. These factors can be classified into four types: the physical environment, the socio-cultural environment, the psychological environment, and the time dimension (Cangara, 2007). Many communication processes are delayed due to time considerations, for example, seasons (Mulyana & Rakhmat, 1990; Cangara, 2007). PTPN V CSR employees succeeded in making the social and cultural environment conducive. An excellent social and cultural environment affects an excellent response to PTPN V CSR employees. This follows the opinion of Kovalenko & Surudzhii (2014), that poor perceptions of people of different ethnicities will affect interpersonal interactions.

Afifi (2015), related to identifying the Corporate Social Responsibility program in Pangkalan Brandan to the plan to establish a sodium ligno sulfanot factory; it is known that first, the factory can improve welfare. Second, it can reduce unemployment; third, it does not damage the environment. Fourth, this factory can support community social activities.
Community empowerment variable ($Y$) with dominant indicators meeting basic needs, participating in the development process, increasing strength, rules, local independence, knowledge, skills, attitudes, and actions (Suharto, 2005; Ife, 1995; Jahi, 2006; Karsidi, 2003; Atmodiwirio, 2005). The results of research on Corporate Social Responsibility and the concept of economic empowerment in South Africa by Ramlall (2012) state that corporate leaders in South Africa have succeeded in empowering the economy through their commitment to implementing CSR. Rasyid et al. (2015), stated that comprehensive CSR communication would result in good community empowerment and a positive image.

**Conclusion**

The results showed that overall there are communication effects of CSR on community empowerment. CSR communications element of most significant effect on the community empowerment is an element of the message. Elements of communication messages, channels, and communication disorders affect community development in a positive direction. This indicates that the better message, channel, and communication disorders, the better the effect on community development. Communication element consisting of communicators and communication environment has the effect of negative direction. It has a meaning that the higher the intensity of communicators and communications environment can reduce community empowerment.

**Acknowledgments**

Authors put a higher thank for all support, academically and financially from the university so that this project was done accordingly to the plan.

**References**


Rusdiyana, E. (2010). Implementasi Tanggung Jawab Sosial Perusahaan (Corporate Social Responsibility) di PT Sinar Mas Agro Resources and Technology (PT. Smart Tbk.).


