

The Role of Human Resource Management in Conducting CSR at an IT Company in Indonesia

Arta Monica Pasaribu¹, Arif Rahman Hakim², Muhamad Nur Rahmat³, Purwanto⁴

Faculty of Business, President University, Bekasi, Indonesia^{1,2,3,4}

Jl. Ki Hajar Dewantara, Kota Jababeka, Cikarang Baru, Bekasi 17550 – Indonesia

Corresponding Author: artamopasaribu98@gmail.com

ARTICLE INFORMATION

ABSTRACT

Publication information

Research article

HOW TO CITE

Pasaribu, A. M., Hakim, A. R., Rahmat, M. N., & Purwanto, P. (2024). The role of human resource management in conducting CSR at an IT company in Indonesia. *Journal of International Conference Proceedings*, 7(1), 234-243

DOI:

<https://doi.org/10.32535/jicp.v7i1.3057>

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Received: 13 March 2024

Accepted: 14 April 2024

Published: 16 May 2024

This study delves into the role of Human Resource (HR) department in corporate social responsibility (CSR) initiatives at PT Sigma Cipta Caraka (hereinafter: Telkomsigma). Through a qualitative analysis, the current practices of human resources concerning the corporate social responsibility programs at the company were scrutinized. The results indicate that the management of these programs predominantly falls under the purview of the Corporate Communications department, with minimal engagement from HR department. To enhance the efficacy of the program initiatives and cultivate a more cohesive approach to CSR within the organization, fostering collaboration between HR and Corporate Communications is imperative. By bridging these departments and aligning their efforts, Telkomsigma can optimize the impact of its CSR endeavors and reinforce its commitment to sustainable and socially responsible practices. This study underscores the significance of inter-departmental cooperation in driving meaningful the CSR outcomes and advancing the company's overarching goals of community engagement and environmental stewardship.

Keywords: Company; Corporate Communication; CSR; Human Resources; Social Responsibility

INTRODUCTION

Human resource management is a very important aspect in management in a company and in an organization. This is because management has a function such as planning, organizing, actuating, and controlling. Discussing human resource management means the management of employees in the company, in essence, the main purpose of human resource management is to optimize the contribution of human resources to be in accordance with the vision and mission of the organization or company.

Companies in Indonesia in particular are required to carry out a social activity or are required to have a Limited Liability Company (PT) legal entity to carry out corporate social responsibility (CSR) which is regulated in article 74 of Law No. 40 of 2007 (Indonesia. The Audit Board [BPK RI], 2007b) and general guidelines of GCG Indonesia National Committee on Governance Policy Chapter IV-D (Indonesia. National Committee for Governance Policy [KNKG], 2021). In essence, CSR here is a form of contribution from the company to society by paying attention to social, economic, and environmental aspects in order to create a determining factor or good image in the scope of the company.

When it is known that CSR must be implemented by a company, the problem here is that sometimes CSR has not been very successfully implemented by the company because the role of human resources in it is not too optimal in carrying out its role (Prihardana, 2015). One example that often happens here, for example, when the company here is selected in implementing CSR and the community who will later benefit or benefit from the existence of CSR, it turns out that the HR parties from the company may not necessarily be able to apply the CSR.

The existence of this is usually CSR sometimes implemented by parties partnered by the company, meaning that there is a third party in implementing CSR in a company. When this phenomenon occurs, this can actually make a company cost a lot more because actually CSR can be implemented effectively if the human resources here are able to carry it out.

PT Sigma Cipta Caraka is one of the subsidiaries of PT Telkom Indonesia (Persero) Tbk, which is engaged in technology and information. Telkomsigma is a leading end-to-end IT solutions company in Indonesia. With Telkomsigma's experience and competence to be at the forefront of innovation, development, and operation of IT solutions, providing the best ICT benefits at the national scope. As a company engaged especially in the field of information technology, Telkomsigma is not only achieving the vision and mission or targets of the company. What they must do is continue to play an important role and also be responsible for carrying out a development and progress of the community around their work area through CSR programs.

In the implementation of CSR that is carried out, the problem that arises here is public dissatisfaction with the programs implemented by the company, not to mention there is social jealousy for example the benefits received are not evenly distributed, conflicts between the company and the community in other places which for example can lead to company assets. Therefore, in this study PT Sigma Cipta Caraka must be able to implement Law No. 40 of 2007 in order to realize a social activity and later the programs that will be carried out can be useful by the community.

LITERATURE REVIEW

Human Resource Management

Human resource management or what can also be called human resources management is a management activity that includes utilization, human development, assessment and also the provision of services for humans who have worked in the organization or company (Samsudin, 2015). Human resource management is a human being who has an aspect or element that is very important in every organization, the success of the organization in achieving goals and also challenges in various objectives and its ability to face various challenges both internal and external and from these human resources must be able to manage appropriately (Siagian, 2014).

Corporate Social Responsibility (CSR)

Law Number 40 of 2007 emphasizes the concept of social and environmental responsibility for companies (Eka, 2016). This law asserts that companies have a duty to engage in activities that contribute to sustainable economic development. Corporate social responsibility is the obligation of an organization to serve its own interests as well as the interests of stakeholders. Although it has different definitions, CSR is essentially a form of giving back from the company to the community (Putera et al., 2020). It can be interpreted that it is concluded that CSR is a form of social responsibility in a company to the surrounding environment and society, where the company carries out its business activities. The company carries out this responsibility for the long term, and with CSR being conducted by the company, the welfare of the community is also improved. Conversely, CSR will also have a positive impact on the ability of companies to survive and increase profitability. If problems are encountered by the company one day, the community will become the main support of the company.

Benefits of Corporate Social Responsibility (CSR)

Studies by Suhandari in Untung (2008) highlight the numerous advantages that CSR initiatives bring to companies. These benefits go beyond reputation management. CSR can enhance a company's brand image, essentially granting a social license to operate. It can also serve as a risk mitigation strategy, reducing potential business disruptions. Furthermore, CSR practices can widen access to resources needed for business operations and open doors to new market opportunities. Additionally, strong CSR efforts can improve relations with stakeholders, including regulators, leading to a more favorable business environment. Perhaps most significantly, CSR can boost employee morale and productivity, while also increasing the company's chances of receiving prestigious awards in recognition of its social responsibility efforts.

RESEARCH METHOD

The literature study method is used for the research method. According to Kartiningsih's research (2015), it was revealed that the literature study method involves a series of activities related to the collection of library data, reading, recording, and processing research materials. This method is also employed by researchers to find the main purpose of obtaining and building a theoretical basis, as well as determining a temporary conjecture.

RESULTS

In this study, it was found that PT Sigma Cipta Caraka (Telkomsigma) is a subsidiary of Telkom Indonesia. Since its establishment on May 1, 1987, Telkomsigma has specialized in information technology services, system implementation and integration, outsourcing, and software license maintenance. The company began commercial

operations in 1988. Therefore, it is important to introduce Telkomsigma to the public to build a positive image and attract interest. Telkomsigma is recognized as a leading provider of comprehensive IT solutions in Indonesia. With its extensive experience and expertise, Telkomsigma has been at the forefront of innovation, development, and operation of IT solutions, offering the highest quality ICT benefits across the nation.

In the results of this study, researchers also found based on literature studies obtained that the existence of CSR is actually important for companies, especially Telkomsigma, because it can provide various benefits for companies, especially related to reputation, corporate image and increased access to markets and investment. Related to the reputation of the company's image, through participation in CSR activities. Telkomsigma can build and improve a positive reputation in the eyes of the public. While it comes to increasing access to markets and investments, some customers and investors tend to choose companies that are committed to social responsibility. Therefore, involving yourself in Telkomsigma's CSR program can increase access to markets and get support from investors who have a focus on sustainability. CSR programs are carried out in accordance with Law No. 40 of 2007, not only that in the laws and regulations are also complemented by Law No. 25 of 2007 (Indonesia. BPK RI, 2007a) concerning investment.

CSR programs at PT Sigma Cipta Caraka (Telkomsigma) are managed by the CSR, Corporate Event Management, and the Head of Corporate Communications departments at Telkomsigma. This indicates that the CSR activities are overseen by the Corporate Communications team rather than the Human Resources department. Corporate Communications is a management function that provides a framework for effective coordination both within the company and with external parties. The primary goal of this function is to build and maintain a positive reputation among stakeholders.

Telkomsigma's CSR programs, particularly those involving events, aim to enhance the company's image in the public eye. For instance, on September 13, 2022, in celebration of its 14th anniversary, Telkomsigma held an event where they awarded scholarships to the children of their outstanding employees, thereby boosting their brand image. Additionally, on November 4, 2022, Telkomsigma participated in the Purbasari Village Care Action event, where they provided assistance to the village community and supported school improvements. These initiatives demonstrate Telkomsigma's commitment to social responsibility and community support, which positively impacts their reputation.

Telkomsigma's CSR programs positively impact the company's image and contribute to community welfare in various areas, including social services, sports, and education. These broad-ranging initiatives aim to enhance the company's reputation and public perception. Telkomsigma's Corporate Communications department focuses not only on building a corporate image but also on establishing a strong brand image. Given that Telkomsigma operates in the IT services sector, the goal is to enhance both the public's perception of the brand and the quality of the services provided.

Discussing the CSR programs carried out consist of several programs that will be tabled, namely as follows:

Table 1. CSR Activities

No	Date	CSR x Programs
1	March 13, 2022	Prayer Equipment Assistance for Al-Falah Mosque Gts 2 Related to the Visit of the Minister of SOEs
2	March 27, 2022	Telkom Group CFRO Forum Donation 2022

3	March 23, 2022	Support Event Pestarama UIN Syarif Hidayatullah Jakarta
4	April 16, 2022	Assistance for the Series of Activities for the Holy Day of Nyepi New Year Caka 1944 Dharma Shanti Telkom Group 2022
5	April 20, 2022	Ramadan Safari 2022 & Compensation to Santri Rumah Tahfidz Daarul Qur'an
6	April 30, 2022	Help for Dharma Tula Events and Metatah Ceremonies
7	May 23, 2022	Gelaran Program Digital Skill Fair 7.0 Telkomsigma
8	May 28, 2022	Telkomsigma Riders Community Charity Service in Tanjung Lesung
9	June 30, 2022	Assistance of one unit of three-wheeled motor for the mentally impaired
10	Aug 12, 2022	Scream 2022 Sponsorship Participation
11	September 06, 2022	Blood Donation in Order of 14th Telkomsigma
12	September 13, 2022	Telkomsigma Employee Child Scholarship
13	October 23, 2022	Participation in Karo Ganesha Golf Tournament 2022 Damai Indah Golf BSD
14	November 04, 2022	Aksi Peduli Desa - School Improvement Assistance
15	November 2022	Advanced Program of Nutrition Garden
16	November 2022	UIN Scientific Fair
17	November 2022	Mosque Construction Assistance
18	November 26, 2022	Hydroponic Nutrition Garden

Source: PT Sigma Cipta Caraka (Telkomsigma) 2022

DISCUSSION

Based on the results of the research obtained, it has been found that when CSR is carried out by PT Sigma Cipta Caraka, it is indeed implemented. However, the CSR program is not managed by the human resources division but by the Corporate Communications division. The human resources division is only responsible for recruitment and employee management at PT Telkomsigma. Therefore, the human resources division is aware that PT Sigma Cipta Caraka implements CSR, but they are not directly involved in its execution.

Theoretically, there is a very significant difference between corporate communications and human resources. According to Van Riel and Fombrun (2007), corporate communication refers to a series of activities that manage and orchestrate all internal and external communications aimed at creating profits for the company. According to Cornelissen (2020), on the other hand, human resources are described as the most important factor in supporting a company's production process, as they are essential for improving performance within companies or organizations. This relates to the aspect of human resources being considered important assets that contribute to enhancing company performance (Argenti, 2014).

Human resource management primarily focuses on recruitment and selection, training and development, performance management, compensation, and rewards, industrial relations (which includes managing the relationships between management and employees), employee welfare, human resource policies and procedures, and termination of employment (Gassing & Suryanto, 2016). Therefore, the discussion of

human resources is contrary to the researchers' assumption that CSR activities at PT Telkomsigma would be managed by each division, including human resources. In reality, CSR is actually carried out by the Corporate Communications division.

Corporate Communications at Telkomsigma serves as a vital intermediary between the organization and the public, playing a pivotal role in managing communication activities. This involves facilitating two-way communication between the organization and various stakeholders, including management and the public. Essentially, Corporate Communications functions as a form of Public Relations within Telkomsigma, fostering relationships, managing perceptions, and disseminating information effectively.

Contrary to the assumption that human resource management would play a significant role in CSR implementation at PT Telkomsigma, it appears that the responsibility falls more on Corporate Communications. Therefore, it can be inferred that human resource management does not play a sustainable role in CSR implementation within the organization. Instead, Corporate Communications takes the lead in executing CSR initiatives and managing communication with stakeholders, indicating a different emphasis in the organizational structure regarding CSR management (Sehgal et al., 2020).

Corporate Communications at Telkomsigma not only acts as a conduit for communication between the organization and its stakeholders but also serves as a primary source of information regarding CSR initiatives. It plays a crucial role in disseminating information about CSR programs, such as the Telkomsigma Nutrition Garden CSR program in Cipambuan Village, Babakan Madang, Bogor Regency.

Through Corporate Communications, Telkomsigma engages in two-way communication with the community and stakeholders, providing updates and details about its CSR activities. For example, Corporate Communications might collaborate with organizations like the Human Initiative (HI) to conduct Hydroponic Plant Training for farmer groups and local communities. This initiative represents a continuation of Telkomsigma's commitment to supporting food security programs within the community, building upon previous efforts implemented over the years. By effectively managing communication channels and providing comprehensive information about CSR endeavors, Corporate Communications ensures that Telkomsigma's CSR efforts yield maximum benefits for the intended beneficiaries while fostering transparency and accountability within the organization.

Corporate Communications plays a significant role in managing relationships, especially when it comes to CSR initiatives (Lestari et. al, 2024). As highlighted by Pahlevi (2017), one of the primary functions of public relations, which is executed through Corporate Communications, is to nurture positive relationships and mutual benefits with the public.

Researchers suggest that Corporate Communications at Telkomsigma actively fosters relationships in various ways, with CSR programs being a prominent avenue for this engagement. Through CSR initiatives, Telkomsigma's Corporate Communications department engages with stakeholders, communities, and the public to address social and environmental concerns. By doing so, Corporate Communications not only enhances Telkomsigma's reputation but also strengthens its relationships with key stakeholders.

In essence, Corporate Communications at Telkomsigma utilizes CSR programs as a means to foster positive relationships, demonstrating the organization's commitment to social responsibility and its stakeholders. Through effective communication and

engagement, Corporate Communications helps build trust and goodwill, contributing to the overall success of CSR efforts and the company's reputation.

Corporate Communications utilizes CSR programs to foster positive relationships between Telkomsigma and various stakeholders. These CSR initiatives include organizing events in specific areas, making donations to communities, and providing other forms of assistance. The ultimate goal is to establish goodwill and strengthen ties between the company and its stakeholders.

One example of such efforts is Telkomsigma's support for sports events, such as the Scream (Sambo Champion Region) sports event in 2022. Through this sponsorship, Telkomsigma not only demonstrates its commitment to supporting sports but also contributes to the development of talented individuals in Indonesia. By supporting the sons and daughters of talented athletes participating in the event, Telkomsigma aims to nurture potential and build positive connections with the younger generation.

Telkomsigma and the Telkom Group prioritize building strong relationships with the surrounding community by actively engaging in activities aimed at fostering goodwill and support. An example of this commitment is demonstrated through their support and assistance in the series of Nyepi Holy Day Activities for the 1944 Caka New Year, organized by Dharma Shanti Telkom Group in 2022. Telkomsigma extends aid to the Hindu community in Bali in various forms, including garbage boxes, Hindu religious books, and internet assistance for schools. By providing these resources, Telkomsigma not only shows its respect for the cultural traditions and religious practices of the community but also contributes to their well-being and development.

What is intriguing in this context is how Corporate Communications oversees the management of various aspects, with support from different teams within the division. Typically, the Corporate Communications division collaborates with Public Relations staff, Corporate Social Responsibility & Corporate Event Management staff, and Digital & Community Engagement staff to coordinate and execute activities aimed at achieving common goals aligned with the company's overarching objectives. This collaborative approach ensures that different facets of communication and engagement are addressed comprehensively. Public Relations staff focus on maintaining positive relationships with external stakeholders and managing the organization's public image. The Corporate Social Responsibility & Corporate Event Management team is responsible for planning and implementing CSR initiatives, as well as organizing corporate events that align with the company's values and objectives. Meanwhile, the Digital & Community Engagement staff handle online communication channels, community outreach, and engagement efforts through digital platforms.

In the context of CSR programs at Telkomsigma, Corporate Communications plays a pivotal role in facilitating the implementation process. Firstly, the Corporate Communications division is responsible for drafting proposals outlining the programs to be undertaken. These proposals detail the objectives, scope, and potential impact of the CSR initiatives. Corporate Communications actively encourages collaboration and support from other divisions or external parties interested in sponsoring or donating to CSR programs, provided that their contributions align with the company's CSR goals and values. This openness to external support ensures a broader range of resources and expertise can be leveraged to maximize the effectiveness of CSR initiatives. Moreover, the Corporate Communications division adheres to established Standard Operating Procedures (SOPs) developed by Telkomsigma's corporate team specifically for CSR programs. These SOPs outline the necessary steps and guidelines for identifying the focus areas and determining the most suitable CSR programs to pursue. This structured

approach ensures that CSR activities are aligned with the company's strategic objectives and are conducted in a systematic and efficient manner.

Corporate Communications is responsible for developing proposals outlining the details and objectives of CSR initiatives. These proposals are then submitted to superiors and the finance division for review and approval. Once the proposals are approved, the Corporate Communications team proceeds to make necessary arrangements, including estimating the budget and costs required for the implementation of the CSR program.

During the execution phase, the Corporate Communications team oversees the implementation of the CSR activities, ensuring that they align with the approved proposals and objectives. This may involve coordinating with various stakeholders, managing resources, and monitoring progress to ensure the successful execution of the program. Upon completion of the CSR program, the Corporate Communications team compiles comprehensive reports detailing the activities, outcomes, and impact of the program. These reports provide valuable insights into the effectiveness of the CSR initiatives and their alignment with Telkomsigma's goals and values. The reports are then presented to Telkomsigma's superiors and company management for review and evaluation, informing future decision-making and strategies related to CSR efforts.

According to Novriza and Sadad (2017), for CSR programs to be effectively implemented, companies must ensure they have sufficient and committed human resources. This process begins with establishing a formal organizational structure that defines roles, authorities, and responsibilities for managing CSR activities. A clear organizational structure demonstrates the company's commitment to integrating CSR activities and ensures that capable human resources are ready to support CSR efforts in the field.

In the case of Telkomsigma Corporate Communications, there are challenges and obstacles encountered in carrying out CSR programs, particularly related to inadequate human resources and insufficient cost allocation. These constraints may result in suboptimal implementation of CSR initiatives. Insufficient human resources can hamper the planning, execution, and monitoring of CSR activities, while inadequate cost allocation may limit the scope and impact of CSR programs.

The study findings indicate that CSR activities are primarily managed by the corporate communication department, rather than being integrated with human resource management. However, there is a notable connection between CSR and human resource management. It was previously noted that PT Telkom Sigma faces challenges in CSR implementation due to a lack of human resources. Ideally, human resources should actively engage with other divisions, particularly those involved in CSR, to provide support and ensure the availability of employees who can contribute effectively to CSR programs.

CONCLUSION

The study concludes that human resources play a limited role in implementing CSR at PT Telkosigma, with corporate communication taking the lead in this aspect. Human resources are mainly aware of the existence of CSR programs but are not extensively involved in their execution. However, it's suggested that human resources should be more proactive in addressing the shortcomings faced by PT Telkomsigma, particularly within the corporate communication department. There seems to be an acknowledgment from corporate communication regarding the inadequacy of employees willing to participate in CSR programs. Therefore, human resources could potentially contribute

more by actively engaging with corporate communication to address these deficiencies and enhance the effectiveness of CSR initiatives.

ACKNOWLEDGMENT

We are grateful to our supervisor, Dr. Purwanto, S.T., M.M, for his encouragement and guidance. We thank the journal reviewers, the handling editor and for their helpful comments on an earlier draft. Additionally, we dedicate this article to various parties who have contributed to the preparation of this manuscript.

DECLARATION OF CONFLICTING INTERESTS

In the interest of making this research, it is to be able to see how the correlation of human resource management in prioritizing humans in social insights. The existence of CSR must indeed be implemented by every company which is a form of corporate responsibility to the community, but precisely from the management of human resources here PT Telkomsigma does not give too much significance, especially in the role of its human resources to implement CSR programs, because those who run CSR programs are precisely here are corporate communication parties.

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