

Implementation of Community Relations as a CSR Strategy of PT. Panca Amara Utama Banggai

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ABSTRACT

Keywords

PT. Panca Amara Utama; Community
Relation; Corporate Social
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This study aims to reveal community relations as a Corporate Social Responsibility (CSR) strategy at PT. Panca Amara Utama (PAU). This study uses a qualitative research method. The data collection techniques used are interviews and documentation methods. Community engagement at PT. Panca Amara Utama (ESSA) is based on participation, transparency, respect for local culture, and tangible benefits for the community. An adaptive and dialogue-based approach strengthens the social licence to operate, which is very important in areas with strong cultural and environmental identities such as Banggai. In implementing Corporate Social Responsibility (CSR) programs, PT. Panca Amara Utama (PAU) technically cooperates with offices in Banggai Regency to conduct assessments, identify groups, educate the public, and plan empowerment programs aimed at community groups that have been registered with the relevant offices.

1. Introduction

The petrochemical industry is a strategic sector that not only contributes to economic growth, but also has the potential to cause social conflict with the community around the company's operational area. Therefore, the role of public relations (PR) becomes important in managing the company's image and reputation, building relationships with stakeholders, and communicating the positive impact and sustainability efforts of the company. PR also plays a role in bridging the interests of companies and society, especially in dealing with sensitive environmental and social issues.

In the context of the organization, communication becomes an important element in supporting the continuity of the company's operations. The main goal of organizational communication is to achieve a specialized understanding based on the diversity of perspectives to maintain sustainability (Al Akmal et al., 2024). Correspondingly, effective communication is needed to gain public understanding and acceptance to encourage the sustainability of the company's operations (Fahrudin et al., 2021). Therefore, communication management is the main responsibility of communication practitioners in organizations.

Based on the interview results, at PT Panca Amara Utama (PAU), the external communication function is carried out by the External Relations Security (ERS) section, especially the Community Officer and CSR Officer in charge of managing relations with the community through the Corporate Social Responsibility (CSR) program. In practice, ERS plays a role in designing and implementing community relations strategies that involve various community groups around the company's operational area.

Conceptually, community relations is an effort to build a mutually beneficial relationship between the company and the community. Effective Community relations is a form of partnership that

provides benefits for both parties, so that positive relationships support sustainable development and lead to improved social outcomes (Bidari et al., 2024). Meanwhile, social communities or community institutions often refer to beliefs, norms and social networks that have been formed, community relations become a means to increase community participation, build trust, and strengthen the company's image (Riyanti & Raharjo, 2024). Thus, community relations not only serves as a communication activity, but also as a strategy in building long-term relationships with the community.

A number of previous studies have shown that community relations plays a role in supporting the implementation of CSR, especially in community empowerment programs and improving the company's image. However, the research tends to still focus on the results or outputs of CSR programs, without examining in depth the strategic communication process that underlies the relationship between companies and society. In addition, community relations is still often positioned as a complementary operational activity, not as the main strategy in building sustainable relationships.

Furthermore, the study of the role of community relations in building a social license to operate through two-way communication mechanisms, community participation, and stakeholder engagement is still limited, especially in the petrochemical industry which has a high level of social and environmental sensitivity. On the other hand, research that raises the local context, such as social and cultural characteristics of the people in Banggai Regency, is still relatively limited, even though these factors greatly affect the effectiveness of community relations strategies.

Based on this, there are research gaps in understanding community relations as an adaptive, participatory, and contextual communication strategy. Therefore, this study aims to analyze the practice of community relations as a strategy of Corporate Social Responsibility (CSR) at PT Panca Amara Utama in Banggai Regency.

2. Method

This study uses a qualitative approach with the type of case study research. This approach was chosen to understand in depth how community relations is run as a Corporate Social Responsibility (CSR) strategy at PT Panca Amara Utama (PAU). Data collection techniques are conducted through in-depth interviews and documentation. Interviews were conducted to 5 (five) purposively selected informants, namely 3 (Three) company staff who run Corporate Social Responsibility (CSR) programs and 2 (two) community members who are involved or feel the company's CSR program directly. The selection of informants is based on their involvement and knowledge of the implementation of community relations.

Data analysis techniques in this study used an interactive analysis model of Miles and Huberman which includes three stages, namely: data reduction, namely the process of sorting, simplification, and grouping of Interview data in accordance with the focus of the study. Presentation of data, namely compiling data in the form of descriptive narratives to be easily understood and analyzed. Conclusion drawing, which is interpreting data to find patterns, relationships, and meanings related to community relations strategies in the implementation of CSR.

To ensure the validity of the data, this study uses triangulation techniques, namely: source triangulation, by comparing information from the company and the community. Triangulation method, by comparing the interview data with the documentation obtained.

3. Result and Discussion

3.1 Community Relations as A CSR Strategy

Corporate Social Responsibility (CSR) is the company's commitment to support sustainable development through improving the quality of life of the community and the environment. In this context, CSR is not only interpreted as a form of social responsibility, not only to generate profits for institutions (economic responsibility) but also as a corporate strategy in

building relationships with the community and complying with regulations set by the government (legal responsibility) (Fatimah & Ghalib, 2024).

Based on the results of an interview with CSR Officer PT Panca Amara Utama (PAU), CSR is seen as an instrument to increase the capacity of the community while building harmonious social relationships with the environment around the company. The informant stated that:

“CSR is given to develop the ability of people who were initially left behind to develop and progress, while reducing the potential for social conflict between the community and the company.”

This finding shows that CSR at PT PAU is not only oriented towards providing assistance, but also directed as a strategy to build long-term relationships with the community. The implementation of CSR is carried out through various programs, such as in the fields of education, health, community economic empowerment, and the environment. In addition, the company also cooperates with various agencies in Banggai Regency in the assessment process, target group identification, and Empowerment program Planning. This collaboration strengthens the effectiveness of the program because it is based on the real needs of the community.

PT. Panca Amara Utama in the Corporate Social Responsibility (CSR) program contributes to the surrounding community in many sectors such as; education, environment, health, economic improvement, social to culture.



Figure 3.1 CSR of PT. Panca Amara Utama in collaboration with the Banggai Regency TPHP Office



Figure 3.2 PT. Panca Amara Utama (PAU) cooperates with the TPHP office in carrying out CSR which is distributed through the assistance of agricultural machinery, seeds and Fertilizers. The provision of this assistance aims to increase the productivity of farmer groups assisted by PT. Panca Amara Utama (PAU).



Figure 3.3 CSR empowerment of farmer groups PT. Panca Amara Utama Corporate Social Responsibility (CSR) program empowers the community through farmer groups with tomato commodity crops that utilize sleeping land around.



Figure 3.4 CSR assistance PT. Panca Amara Utama in the field of Health



Figure 3.5 CSR assistance PT. Panca Amara Utama in the field of social quoted from obormotindok.co.id, management of PT. Panca Amara Utama (PAU) through the CSR program at the moment of Eid al-Adha in 2023 provided compensation and gifts to dozens of orphans at the Sullamul Fallah orphanage, Luwuk.

The Agenda is a form of concern that is often done on religious holidays aimed at knitting a relationship through sharing activities to create a harmonious relationship between community groups and companies.

In the perspective of stakeholder theory, this practice shows that companies not only consider internal interests, but also pay attention to external actor that have an influence on the sustainability of company operations (Maulidiya & Kusumaningsih, 2024). Thus, community relations in this context serves as a CSR strategy that integrates the interests of the company and society simultaneously.

3.2 Two-Way Communication Strategy

Two-way communication highlights the significance of communication that is balanced, dialogical, and aims to establish mutually beneficial relationships between organizations and stakeholders (Tafuzi et al., 2025).

The results showed that PT Panca Amara Utama implemented a two-way communication strategy in the implementation of community relations. This strategy is realized through program socialization, dialogue with the community, and feedback mechanisms.

In the implementation of socialization, the company not only conveys information in one direction, but also opens a discussion space to receive input from the community. The involvement of community leaders in the CSR program planning process is an indicator that the communication built is participatory. Through the planning of CSR programs, the company invites the public to participate or participate by channeling their ideas, aspirations, or opinions about the goals of each party (Octaviani et al., 2022)

This shows that society not only acts as a beneficiary, but also as an actor involved in the decision making process. This communication pattern reflects a participatory communication model that emphasizes openness, equality, and sustainability of interaction.

Compared to one-way communication that tends to cause resistance, two-way communication strategies implemented are able to increase public trust and strengthen social relationships between companies and local communities.

3.3 Stakeholder Engagement and Social Mapping

In the implementation of community relations, PT Panca Amara Utama applies stakeholder engagement approach through social mapping and stakeholder analysis.

Social mapping is carried out to identify community groups around the company's operational area, such as farmers, fishermen, youth, women, and formal and informal figures. Meanwhile, stakeholder analysis is used to determine the level of importance and influence of each actor on the company's activities.

This practice shows the implementation of systematic stakeholder engagement in community relations, which aims to identify interests and potential conflicts early on. By understanding the characteristics and interests of each stakeholder, companies can design CSR programs that are more targeted and responsive to community needs.

In addition, the company also collaborates with local government agencies in the implementation of CSR programs. This collaboration strengthens the legitimacy of the program as well as increases the effectiveness of implementation in the field.

4. Conclusion

According to Moore (2004: 415), Community Relations in Public Relations refers to the relationship between a group of people who live in the same location, have the same government, and have cultural and historical heritage that is generally passed down through generations, and have similar goals. (Al Akmal et al., 2024) Welfare Development is basically aimed at solving problems in the field of socio-economic inequality (poverty) (Nur et al., 2023). Siregar said, community relations is one form of Corporate Social Responsibility (CSR) basically shows that the relationship of companies and communities is not seen in the context of economic relations only, but also in the form of social relations. Awareness of the importance of implementing corporate social responsibility has become a global trend in line with the growing concern of the global community for environmentally friendly products and based on human rights principles. The expected implementation of CSR is an activity that makes people become independent, live a better life (Mayasari, 2021).

Research findings indicate that community relations conducted by PT Panca Amara Utama plays an important role in building a social license to operate, which is the social acceptance of the community towards the existence and activities of the company. This is evident from the company's various efforts in building open, participatory, and sustainable communication with the community.

In addition, the company also implements a grievance handling mechanism by providing an open complaint channel and establishing clear complaint handling procedures. This mechanism provides space for the community to convey aspirations and problems directly, so that potential conflicts can be handled more quickly and transparently.

Through the community engagement strategy, the company approaches communities in three sub districts; Nambo, Kintom and Batui which are located around the operational area. Good relations with the community are built through community engagement strategies and mitigation of social problems this is very crucial for the sustainability of the company's operations. Especially in sensitive areas such as the Banggai community which has distinctive social, cultural, and environmental characteristics.

Stakeholder engagement PT. Panca Amara Utama is carried out through social mapping, stakeholder analysis, social permits. Social mapping in the form of identification of Indigenous groups, youth, women, fishermen, farmers, as well as formal and informal figures. Stakeholder analysis in the form of determining the level of influence and interests of each actor on the company's operational activities. Social permit is an approach to obtain social permits, especially if there are Indigenous communities and local communities. The purpose of stakeholder engagement is to prevent conflicts early on due to differences in Interests, by knowing exactly the expectations and concerns of stakeholders.

Communication Model is done to build community relations in the form of two-way communication. Two-way communication will form communication that gives feedback, is equal, takes place continuously, and is open and transparent. Reciprocal (community feedback) that is, the community can respond or respond to information from the company, and vice versa. Equal communication in the form of not one party is considered more important The Voice of

the community is valued. Takes place constantly, not only occurs when there is a problem, but is built regularly. Open and transparent, that is, information is not hidden and there is honesty from both parties.

Tabel. Reciprocal Communication

Situation	One-Way Communication	Two-Way Communication
Socialization of the project	The company only presented at the village hall without a question and Answer Session	The company submitted a plan, then opened a discussion session, received feedback and answered concerns of citizens
CSR programs	Companies decide their own CSR programs without questioning the need residents	The company discussed with community leaders and found programs based on local aspirations
Public complaints	There is no complaint channel; citizens can only complain through social media	There is a complaint post or hotline: Citizen reports are responded to within a certain time

In building relationships with the community, involvement in supply chains and the local economy is carried out in the form of local recruitment priorities for non-specialist jobs, involvement of village cooperatives, BUMDes, and MSME actors in the procurement of goods/services (catering, transportation, materials, foodstuffs, etc.) and long-term economic partnership schemes.

In community relations management there is a grievance handling mechanism by providing an open complaint channel, establishing a complaint handling SOP with a clear response time, and involving neutral figures or third parties in dispute resolution (local mediation). Thus, community relations not only serves as a social activity, but also as a strategy to build social legitimacy through trust, participation, and community involvement.

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