

Identified The Next Alternative CSR Program at PT Pertamina Integrated Terminal Jakarta: Analytic Hierarchy Process Approach

Identifikasi Alternatif Program CSR Berikutnya pada PT Pertamina Integrated Terminal Jakarta : Pendekatan Proses Hierarki Analitik

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ABSTRACT

This study critically examines the Corporate Social Responsibility (CSR) programs of Pertamina Integrated Terminal Jakarta (ITJ), employing the Analytic Hierarchy Process (AHP) methodology and thematic analysis. The background is to establish an appropriate mechanism for planning CSR programs and demonstrate accountability to internal stakeholders. The study also utilizes an AHP Online System provided by BPMSG to generate objective results. In-depth thematic analysis of interviews reveals a strong integration of CSR into Pertamina ITJ's business strategy, focusing on community development, sustainability, and stakeholder engagement. The qualitative analysis identifies themes related to the implementation of green buildings in CSR, the importance of program management, evaluation, and continuous improvement. The AHP results indicate that continuous improvement and innovation in CSR programs are prioritized, along with community development and empowerment. Effective management, risk management, and impact measurement are also emphasized, demonstrating the company's commitment to systematic oversight and continuous improvement. The study concludes that Pertamina ITJ's CSR strategy effectively combines systematic management, risk mitigation, and ethical responsibility. While it excels in program management and stakeholder engagement, there are opportunities for enhancement in community development, impact assessment, and sustainability integration.

Keywords: Analytic Hierarchy Process (AHP), Corporate Social Responsibility (CSR), program management, stakeholder engagement, sustainability.

ABSTRAK

Penelitian ini mengkaji secara kritis program-program Corporate Social Responsibility (CSR) Pertamina Integrated Terminal Jakarta (ITJ), menggunakan metodologi Analytic Hierarchy Process (AHP) dan analisis tematik. Latar belakangnya adalah menyediakan mekanisme yang sesuai untuk merencanakan program CSR dan menunjukkan akuntabilitas kepada pemangku kepentingan di internal perusahaan. Penelitian ini juga menggunakan Sistem AHP Online yang disediakan oleh BPMSG untuk menghasilkan hasil yang obyektif. Analisis tematik wawancara yang mendalam mengungkapkan integrasi CSR yang kuat ke dalam strategi bisnis Pertamina ITJ, dengan fokus pada pengembangan masyarakat, keberlanjutan, dan keterlibatan pemangku kepentingan. Analisis kualitatif mengidentifikasi tema-tema yang terkait dengan implementasi bangunan hijau dalam CSR, pentingnya manajemen program, evaluasi, dan perbaikan berkelanjutan. Hasil AHP menunjukkan bahwa perbaikan berkelanjutan dan inovasi dalam program CSR diprioritaskan, seiring dengan pengembangan dan pemberdayaan masyarakat. Manajemen yang efektif, manajemen risiko, dan pengukuran dampak juga ditekankan, menunjukkan komitmen perusahaan terhadap pengawasan sistematis dan perbaikan berkelanjutan. Studi ini menyimpulkan bahwa strategi CSR Pertamina ITJ secara efektif menggabungkan manajemen sistematis, mitigasi risiko, dan tanggung jawab etis. Meskipun unggul dalam manajemen program dan keterlibatan pemangku kepentingan, ada peluang untuk peningkatan dalam pengembangan masyarakat, penilaian dampak, dan integrasi keberlanjutan.

Kata kunci: Analytic Hierarchy Process (AHP), Corporate Social Responsibility (CSR), keterlibatan pemangku kepentingan, Keberlanjutan, Manajemen Program.

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INTRODUCTION

The origins of CSR resonate with the understanding that long-term business sustainability supersedes short-term profitability. In Indonesia, CSR is primarily manifested through community services or environmental stewardship related to a company's locale. The holistic essence of CSR demands the convergence of the 'triple bottom line', incorporating the financial, social, and environmental facets of sustainable development. The concept, introduced by John Elkington, underscores the importance of balancing profit with care for people and the planet, representing corporate financial interests, community welfare, and environmental conservation respectively (Gennari, 2019). Integrating CSR into business strategy presents myriad benefits. Beyond its philanthropic dimensions, CSR serves as an instrumental component in risk management. Companies that embed CSR into their ethos demonstrate a vision beyond ephemeral gains, focusing on long-term societal and environmental wellbeing. Adopting a robust CSR framework not only boosts a company's public image and reputation but also acts as a protective mechanism against potential business risks, supports talent acquisition, fosters growth, and facilitates access to capital. Effective CSR can thus augment decision-making and enhance overall risk management processes.

Within the vast precincts of Koja, the Integrated Terminal Jakarta (ITJ) operates as a significant entity, extending its influence across multiple sub-districts and inherently affecting their socio-economic landscapes. This wide-reaching operational presence places ITJ in a delicate position of balancing its core functions with the welfare and aspirations of the surrounding communities. The Holding-Sub Holding transition in 2021 further complicated ITJ's existing Corporate Social Responsibility (CSR) initiatives, introducing potential disruption and ambiguities in the absence of a dedicated structural oversight (Khafendi, 2010). The absence of a formal organizational framework within ITJ for overseeing CSR initiatives highlighted the risk of these programs losing momentum or direction. Nevertheless, ITJ took proactive measures by establishing a task force supported by community development officers and adopting a grassroots approach informed by biennial social mapping studies. This strategy ensured that CSR efforts stayed focused on the needs of the community and remained flexible in response to changing local conditions. Given ITJ's limited human resources, there is a need for an internal mechanism to compare social mapping findings. It is anticipated that the implemented programs will effectively address the needs of both the community and the companies involved.

Research in the CSR domain has ventured into various dimensions, each attempting to decode different aspects of CSR's influence on businesses and society. While Mahmood *et al.* (2021) unveiled that financial constraints and lack of CSR knowledge are primary barriers to CSR implementation, especially in the SME sector of developing economies, there remains a potential avenue to explore the effectiveness of measures introduced to counter these barriers. While the literature provides insights into the significance and implementation of CSR activities in stable organizational contexts, there is a noticeable gap in understanding how CSR initiatives are impacted by, and adapt to, significant organizational changes. Specifically, studies that delve into the challenges and strategies that companies, like ITJ, employ to ensure continuity and alignment of CSR initiatives post major structural transitions remain sparse. This gap becomes especially pronounced in contexts where these transitions might result in the absence or redefinition of dedicated CSR oversight within the organization. Hence, the objective of this research is to address this gap by conducting a study that focuses on CSR within industry-specific

and national-specific CSR models. Additionally, it aims to translate CSR communication strategies into tangible societal impacts.

Literature Review

Corporate Social Responsibility (CSR) serves as a testament to a company's dedication to sustainable development, societal well-being, and ecological harmony. In recent times, characterized by numerous corporate controversies, CSR has emerged as a pivotal component in shaping and amplifying a company's reputation among its consumer base and other stakeholders. CSR encompasses the corporate sector's responsibility toward society, covering social, environmental, and economic obligations (Sharma *et al.*, 2023). Rooted in the concept of self-regulation, CSR aims to contribute to societal goals, including sanitation, gender equality, and poverty eradication, as outlined by the United Nations' Sustainable Development Goals (SDGs) (Sharma *et al.*, 2023). The term CSR, which first emerged in the 1950s, has since evolved to encompass various dimensions and motivations, such as responding to stakeholder demands, gaining competitive advantage, and aligning interests (Falcó *et al.*, 2022). The initiation and implementation of CSR initiatives vary, with these processes influencing the outcomes of CSR. Factors such as centralization, routineness, and the alignment between issues and processes can significantly impact the benefits of CSR (Nord *et al.*, 2023). The roles of government and corporate governance in promoting CSR are also of vital importance (Belak & Primec, 2020; Chijoke-Mgbame, 2021).

While companies such as BP and Shell have successfully transformed their public personas by underscoring their eco-friendly and societal efforts via CSR endeavors, entities like Monsanto and Exxon have seen their public image deteriorate despite similar attempts (Ruka & Rashidirad, 2019). Such contrasting outcomes could be attributed to the skepticism harbored by consumers regarding the genuine intent behind these CSR actions, potentially making them futile or even detrimental. Furthermore, in India, where CSR has been practiced even before it was mandated, only a few companies align their CSR activities with their corporate goals (Venugopal & Agarwal, 2023). Companies aiming to make a positive impact on their surroundings understand that CSR must be seamlessly integrated into their corporate strategy, involving specific steps to formulate and embed CSR strategies into corporate strategy development (Szócs & Schlegelmilch, 2020). Research has demonstrated that CSR can have a positive impact on both the market and financial performance of companies (Mapiye Dube & Chang, 2022). The relationship between CSR and firm performance is influenced by business strategy, with companies adopting prospector and analyzer strategies proving to be more effective in implementing CSR initiatives (Mapiye Dube & Chang, 2022). In conclusion, the successful integration of CSR into core business strategies necessitates recognizing the importance of CSR as an integral part of corporate strategy, understanding its impact on firm performance, and adapting CSR practices to the evolving business environment.

CSR regulations vary from one country to another. China, for instance, has explicitly mandated in legislation that companies must engage in CSR (Lin, 2020). The 2006 Company Law was the first in the world to include the phrase "corporate social responsibility" (Lin, 2020). India, on the other hand, has introduced mandatory CSR provisions through India's Companies Act, which require companies to allocate a certain percentage of their profits to CSR activities (Arora, 2022). This legislation has led to an increase in CSR expenditure by companies (Arora, 2022). In Europe, CSR strategies are built upon guidelines and principles set out by the United Global Compact, United Nations Guiding Principles on Business and Human Rights, ISO 26000 Guidance

Standard on Social Responsibility, and OECD Guidelines for Multinational Enterprises (Thacker, 2019). Specifically in Denmark, the Danish Financial Statement Act mandates that companies of a certain size must disclose their CSR practices in an annual report or state that they do not have a CSR policy (Thacker, 2019).

The concept of Corporate Social Responsibility (CSR) commonly involves references to the relationships between businesses and society, ethical conduct, stakeholders, and environmental concerns. The classification of CSR into categories labeled 1.0, 2.0, and 3.0 is not only influenced by the adoption of new technologies but also highlights the distinct characteristics of each type of CSR included:

- Connectedness - an emphasis on building connections and fostering dialogue,
- Scalability - achieving widespread impact and transparent reporting,
- Responsiveness - taking proactive measures to address significant social and environmental challenges,
- Circularity - adopting circular economy principles to promote sustainable practices.

Future CSR initiatives should prioritize collaboration and engagement between organizations and individuals, focusing on generating economic value that also benefits society. This involves creating a shared framework for social and economic progress, engaging in strategic partnerships for philanthropic efforts, and advancing the overall well-being of communities. Implementation of social programs should be guided by strategic planning, measurable goals, and continuous communication with stakeholders (Wierzbicka, 2021)

RESEARCH METHOD

The evaluation of CSR programs is inherently qualitative and often involves conflicting expert judgments (Karaman & Akman, 2018). The Analytic Hierarchy Process (AHP), developed by Saaty (1980), is a widely favored and appropriate methodology for multi-criteria decision-making contexts. It serves as a commonly utilized decision-making tool that harmonizes qualitative and quantitative factors (Samanaseh et al., 2023). AHP breaks down decision-making components into levels comprising goals, criteria, and plans, conducting both qualitative and quantitative analyses to assess their relative importance (Zeli, 2022). By employing pairwise comparisons and a hierarchical approach, AHP establishes priorities for ranked alternatives (Kędzior & Kułakowski, 2023), based on their relative importance and preferences.

For the effective implementation of the AHP methodology, an AHP Online System provided by BPMSG was employed. This online system provides the capability to generate objective and quantifiable results. The AHP matrix produced through this process assigns relative weights to each criterion and alternative. These weights, determined through a rigorous evaluation process, offer invaluable insights, facilitating well-informed and structured decision-making. The AHP method consists of six phases (Russo & Camanho, 2015; Saaty, 2008):

1. Problem Definition: Selection of the problem for analysis is based on its perceived importance or complexity, and the type of knowledge sought (Russo & Camanho, 2015).
2. Decision Hierarchy Structuring: The decision hierarchy is constructed from the top, starting with the ultimate decision goal, followed by broader objectives, intermediate criteria, and the lowest level, typically a set of alternatives (Saaty,

2008), as shown in Figure 1. This step involves the comprehensive listing of all relevant criteria, each with a distinct and non-overlapping definition.

3. **Pairwise Comparison Matrices Construction:** In this phase, decision-makers conduct pairwise comparisons of criteria and alternatives to ascertain their relative importance or preference (Jayawardena & Gopura, 2023). A 1-9 scale is used to assign a weight to each criterion, reflecting its relative importance compared to others.
4. **Relative Weight Calculation for Each Level:** Weights are assigned to the criteria based on the pairwise comparisons (Jayawardena & Gopura, 2023). These weights express the relative importance of the criteria in the decision-making process.
5. **Decision Verification and Adjustment:** This step is crucial for ensuring that the results obtained through AHP align with expectations. If any discrepancies or flaws are identified, a review of the previous processes is required (Russo & Camanho, 2015).
6. **Decision Documentation:** To document the decision-making process, it is essential to record all the reasons behind how and why decisions were made (Russo & Camanho, 2015). These records can be valuable for justifying the process to external parties and for future reflection, facilitating the continuous improvement of the decision-making process (Russo & Camanho, 2015).

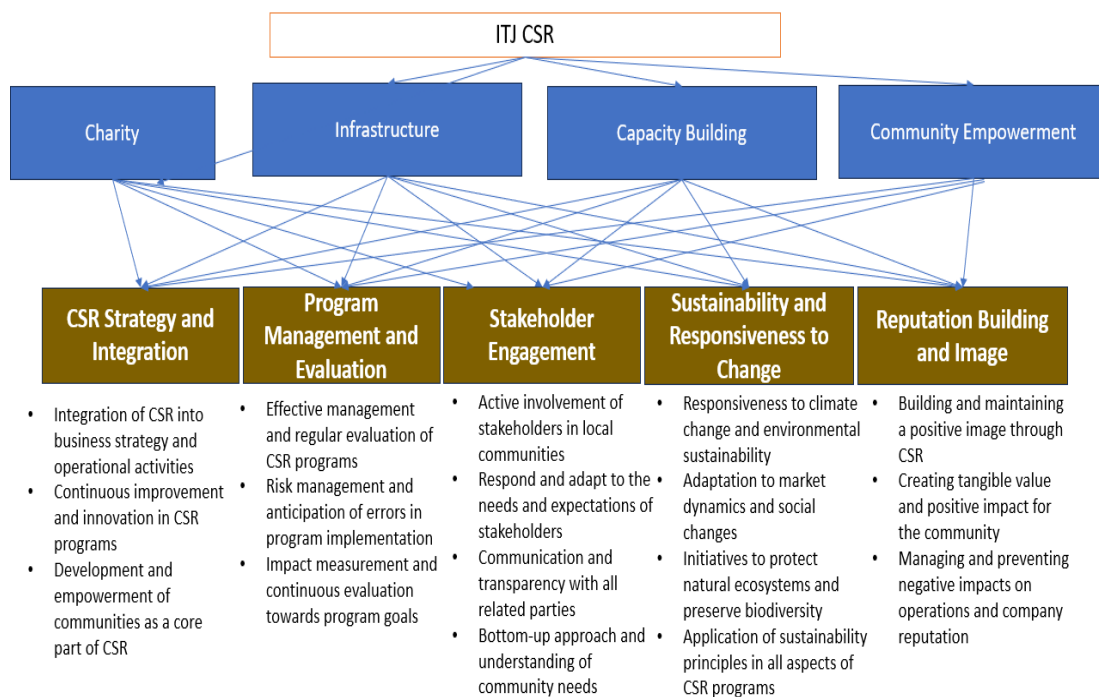


Figure 1. AHP Model

Level 0 of the CSR framework encompasses a prominent sector known as "ITJ CSR," which underscores the significance of Corporate Social Responsibility (CSR) within an organization. This level indicates an initial recognition of the importance of CSR activities, although a comprehensive strategy for implementation has not yet been fully established. Level 1 represents the initial stage of integrating CSR into a company's business strategies, focusing on continuous improvement and innovation in CSR, community development, and empowerment. The next criteria, Program Management and Evaluation, signifies a more advanced stage where companies effectively manage

CSR programs, conduct regular evaluations, engage with stakeholders transparently, and prioritize sustainability and responsiveness to change. Ultimately, these levels demonstrate a company's progression in implementing CSR in a comprehensive and sustainable manner.

RESULT AND DISCUSSION

Result

Internal Qualitative Analysis

This chapter explores the qualitative dimensions of the study through the lens of thematic analysis, a method that allows for the identification, analysis, and reporting of patterns within data. Thematic analysis serves as a tool for interpreting various aspects of the research topic, offering a rich and detailed, yet complex account of data. The process involves the organization and description of the dataset in great detail and goes further to interpret various aspects of the research topic. Data were meticulously gathered from a variety of sources, ensuring a comprehensive understanding of the subject matter. Following a rigorous process of coding in an iterative series of phases, key themes were identified. These themes provide insight into the data's underlying ideas, assumptions, and conceptualizations. The analysis not only sheds light on the multifaceted nature of the subject but also constructs a narrative that captures the essence of the participants' experiences and perspectives. The subsequent sections detail the interpretive process from data familiarization to theme development and refinement, culminating in the synthesis of findings that contribute to a deeper understanding of the research questions at hand.

Table 1. Interview 1 highlights points with former IT Jakarta Manager

| Codes | Quotations |
|---|--|
| Integration of CSR in Business Strategy and Community Development | "Then there is our CSR in Rawa Badak Selatan, Sule." "We also have a waste bank for community development." "We also have increased empowerment, several village safety trainings, disaster protection in Tugu Selatan, and several other CSR charities." |
| Implementation and Certification of Green Building in CSR Program | "Then finally in 2021 we will get green building certificates for Plumpang and Priok." "Well, the lesson is that the more concrete, the better the green building, sir." |
| Management and Evaluation Stakeholder Engagement and Operational Impact | "The future of this program demands a smart strategy; maintain it, renew it, reduce it, or end it—each choice with consequences we must all bear." "Stakeholder engagement and understanding the impact of our operations on communities is at the heart of responsible and effective CSR." |
| Continuous Improvement Image and Reputation | "After a managerial transition, our question is not 'what have we achieved?' but 'how can we further improve our impact?'" ""We can't get it in terms of revenue, but we can get it in terms of image." |
| Community Development and Empowerment | "Community development through providing capital and support to small and medium businesses rather than just providing aid." |
| Sustainability and Climate Change Community | "Now carbon is being chased, right? You know, it's carbon exchange, it's carbon exchange." "Well, that's what I should think, I think there are advantages. One |

| Codes | Quotations |
|---------------------------------------|---|
| development | stage where we do CSR benefits us. Go back inside." |
| Errors and their Impact on Operations | "When we make a mistake, fate turns to us. Our operations are also disrupted. That's what's dangerous." |

Table 2. Interview 2 highlights points with 1st Community Development Officer

| Codes | Quotations |
|---|---|
| CS Program Sustainability Indicators and Criteria | "Discussing indicators and criteria to determine the sustainability of CSR programs involves engaging partners, setting targets, and conducting evaluations. It is a crucial step in ensuring a lasting positive impact on partner communities while maintaining focus on program goals and assessments." |
| Strategic Plans and Targets | "A strategic plan for CSR programs should include clear targets and annual evaluations to ensure continuous growth and significant benefits for the served communities." |
| Capacity Building Problems | "Capacity building is an essential part of CSR programs, and its sustainability can be measured through clear indicators. Efforts to strengthen the capabilities of partner communities are a long-term investment in the success of CSR programs." |
| External Influence on CSR Programs | "External factors such as market dynamics and environmental changes play a significant role in determining the sustainability of CSR programs. Programs that respond effectively to external changes are more likely to endure and deliver positive impacts." |
| Focus on Foster Partners | "The impact of CSR programs on partner communities is pivotal in assessing their success. Evaluating the progress and well-being of partner communities should be a primary focus of CSR program assessments." |
| Expectations of CSR Program Recipients | "The expectations of CSR program beneficiaries, especially regarding economic improvements and their effects, should be accommodated and seriously considered in program planning and implementation." |
| Pragmatism of CSR Program Recipients | "This is an example of how CSR program recipients appear pragmatic in their approach, but there are efforts to change it to be more sustainable and provide awareness to them." |
| Pertamina's Role in the CSR Program | "In discussions about Pertamina's role in the CSR program, including capital, support, and how the program is delivered as a Pertamina initiative." |
| Obstacles in Managing CSR Programs | "That there are difficulties in managing CSR programs, especially in terms of implementation which focuses on social data and analysis (SOSMAP)." |
| Bottom-Up Approach | "The importance of a 'bottom-up' approach in developing CSR programs, where ideas and initiatives come from local communities. In his view, a successful CSR program is one that is able to understand and consider the real needs and aspirations of society, rather than just relying on secondary data. This is an important step towards active community involvement in sustainable development." |
| Attraction of CSR Programs | "There is a need to create attraction and motivation for the community, especially in urban areas like Jakarta, to participate in CSR programs. As an illustration, he gave an example of how providing incentives such as basic food assistance and vaccines can significantly increase the level of community participation in CSR programs. This is a key step in ensuring the success and positive impact of this initiative at a community level." |
| Differences in Urban | "Comparison between urban contexts, such as Jakarta, and villages in |

| Codes | Quotations |
|--|--|
| and Village Contexts | managing CSR programs. He noted that people in villages tend to have more free time to participate in this program compared to urban people who are busy with various activities. This is an important aspect to consider in planning and implementing CSR programs in various environments, by understanding the dynamics of time and the involvement of local communities." |
| Community Perceptions and Expectations | "The importance of understanding community perceptions and expectations in dealing with CSR programs was the focus of this discussion. The speaker emphasized that for a CSR program to be successful, it is important to ensure that the program truly reflects the needs and aspirations of the community. This involves in-depth understanding of community perceptions of CSR programs as well as the expectations they have for him." |

Table 3. Interview 3 highlights points with 2nd Community Development Officer

| Code | Quotation |
|---|--|
| Corporate Moral and Ethical Responsibility | Firstly, because this is part of your moral and ethical responsibility, sir, to give the term more attention, especially to community members living around the company's operational areas. |
| Criteria for CSR Activities | Regarding what factors Sir, we can carry out CSR activities there continuously |
| Company Response to Community Problems | So all the activities carried out by ITJ in 2021 in the form of the Rawa Badak Utara trash dump and also the safety village are a form of response to existing problems |
| Integration of CSR Activities with Company Operations | But indeed, in that unit, our nature is CSR, if I'm not mistaken, sir, later we will also ask for validation if there are indeed errors under the auspices of Enviro like that. |
| The Role and Influence of Local Leaders | The first is our moral and ethical obligation as a company to implement CSR in our environment. Then the second is that there is an operational gap, namely a pipe that might have an impact on residents around the southern part of the country. |
| Potential Development and Community Involvement | Well, in general, DKI has permission, sir. Later, if there are additional problems, the main problem is the volume of rubbish that has piled up. |
| Local Community Perceptions of CSR | CSR's bias is to meet realistic material needs, sir. |
| Improvement and Adaptation of CSR Programs | If from a development perspective it is optimal, perhaps sir, the only thing that needed to be touched on yesterday was the processing of organic waste. |
| The Importance of Data and Information | I didn't prepare the data or information from yesterday, sir, just sharing |
| Experience and Learning from Previous Projects | Related to the experience you have had at ITC in 2021, sir. |
| Community Engagement and Training | Then the solution was born or encouraged through a gubernatorial regulation which stipulates that the waste must be managed back to each source. |

| Code | Quotation |
|---|---|
| Risk Management and Disaster Anticipation | Then just provide action, yes, but I think it would be better to collaborate with monitoring, perhaps in the future, sir, together with the disaster preparedness group. |
| Local Infrastructure and Capacity Development | CSR as infrastructure, CSR as capacity building and finally CSR as empowerment |
| Impact Measurement and Program Evaluation | If what Mbak Inggar proposed earlier was that we empower them to help monitor the condition of our pipes throughout Tugu Selatan Subdistrict |
| Collaboration with Stakeholders | Perhaps for the community, from the time Mbak Inggar handles ITJ, what can we do at ITJ in general regarding CSR? |
| Technology Innovation and Adaptation | I got additional insight from Mbak Inggar in the discussion this afternoon |
| Sustainability and the Environment | Then we provided assistance for communication tools to the group in the form of HT to communicate if there were concerns about a disaster, perhaps an earthquake or flood. |
| Communication and Transparency | Perhaps sponsorship can still come in, sir, but if it provides funds for certain things that are deemed inappropriate, this is the problem, sir, so it's more what the public thinks, perhaps, sir. |

Table 4. Interview 4 Highlight Points with Sr. Supervisor HSSE

| Code | Quotation |
|-------------------------------|--|
| CSR Expertise and Impact | "CSR expertise is the foundation of creating a meaningful impact in the communities we serve. It requires a deep understanding of social and environmental issues, as well as a commitment to ethical business practices." |
| CSR Program Matrix Analysis | "Analyzing our CSR program matrix helps us identify strengths and weaknesses, enabling us to allocate resources more effectively and make a lasting difference in society." |
| Evaluating CSR Programs | "Evaluating CSR programs is not just about numbers; it's about measuring our contribution to a sustainable future. It allows us to refine our strategies and ensure our initiatives align with our mission and values." |
| Sustainability in CSR | "Sustainability is the heart of CSR, and it's our responsibility to integrate sustainable practices into every aspect of our business. By doing so, we create a legacy that benefits both the planet and our bottom line." |
| Stakeholder Engagement in CSR | "Engaging with stakeholders is more than a checkbox; it's a dynamic process of listening, collaborating, and building trust. Their input guides our CSR efforts, making them more relevant and impactful." |
| CSR and Risk Management | "Risk management is an integral part of CSR. Identifying and mitigating risks associated with our social and environmental initiatives ensures we uphold our commitment to responsible business practices." |
| CSR Strategy Integration | "Successful CSR strategy integration means aligning our sustainability goals with our overall business objectives. It's about embedding CSR into our corporate DNA, making it a natural part of how we operate." |
| Community Empowerment | "Empowering communities is at the core of CSR. We strive to uplift and support the communities where we operate, fostering growth, self- |

| Code | Quotation |
|--|--|
| CSR Program Prioritization | reliance, and a sense of belonging among their members." "Prioritizing our CSR programs requires a thoughtful approach. By focusing on initiatives that align with our core values and have the greatest positive impact, we can maximize our contribution to society." |
| Stakeholder Engagement Importance | "The importance of stakeholder engagement cannot be overstated. It's the bridge that connects our CSR efforts with the needs and expectations of the people and organizations that matter most to us." |
| Community Empowerment in CSR | "Community empowerment is the cornerstone of our CSR philosophy. We believe in co-creating solutions with communities to address their unique challenges and opportunities, fostering a sense of ownership and pride." |
| Continuous Improvement in CSR | "Continuous improvement is our commitment to staying relevant and effective in the ever-evolving landscape of CSR. We adapt, learn, and innovate to ensure our initiatives meet the changing needs of society." |
| Risk Management in CSR | "Risk management in CSR is about safeguarding our reputation and the well-being of communities and ecosystems. It's a proactive approach that ensures we uphold our ethical standards and minimize negative impacts." |
| Reputation Building through CSR | "Building a positive reputation through CSR is not a side effect; it's a deliberate strategy. By consistently delivering on our CSR commitments, we earn the trust and admiration of stakeholders and the broader public." |
| Positive Image and CSR | "A positive image resulting from CSR efforts is a valuable asset. It enhances brand loyalty, attracts socially conscious consumers, and positions us as a responsible corporate citizen committed to making a difference." |
| Sustainability and Responsiveness in CSR | "Sustainability and responsiveness go hand in hand in CSR. Being responsive to the changing needs of society ensures that our sustainability efforts remain relevant, impactful, and aligned with our overarching goals." |

The interviews (Table 1, 2, 3, and 4) provide a comprehensive insight into the CSR programs of the organization. From the first interview, it's evident that there is a strong integration of CSR in the company's business strategy, particularly in community development initiatives like the SULE program in Rawa Badak Selatan and Barokah waste bank in Rawa Badak Utara. These programs not only aim at community empowerment but also involve several safety and disaster protection trainings, underlining the company's commitment to holistic community development. Additionally, the implementation and certification of green buildings in CSR, as highlighted in Plumpang and Tanjung Priok, reflect an emphasis on sustainability and environmental consciousness. The second interview underscores the importance of sustainable indicators and criteria for CSR programs, stressing the need for continuous evaluation, clear strategic plans, and capacity building. It highlights the influence of external factors like market dynamics on the sustainability of CSR programs and emphasizes the significance of focusing on foster partners and understanding the expectations of CSR program recipients.

From the third interview, it's clear that corporate moral and ethical responsibility play a crucial role in shaping CSR activities. The interviewee discusses the integration of CSR activities with company operations and the influential role of local leaders in this process. Emphasis is also placed on potential development, community involvement, and

the importance of understanding local community perceptions of CSR. The fourth interview focuses on the expertise required in CSR for impactful community service, analyzing the CSR program matrix for effective resource allocation, and evaluating CSR programs beyond mere numbers. Sustainability is highlighted as the heart of CSR, with a strong focus on stakeholder engagement, risk management, community empowerment, and continuous improvement.

In summary, these interviews collectively underscore the multifaceted nature of CSR, encompassing community development, sustainability, stakeholder engagement, and the need for continuous improvement and adaptation. They highlight the importance of aligning CSR with business strategies, understanding community needs, and responding to external environmental and market changes. The interviews also reveal the complexities of managing CSR programs, including the challenges of implementation, the importance of stakeholder input, and the need for a pragmatic, bottom-up approach to truly benefit communities and foster sustainable development.

AHP Result

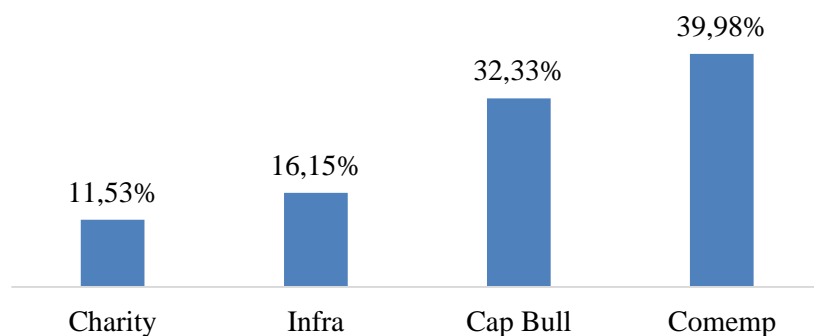
Table 5. AHP Result

| Decision Hierarchy | | | | | |
|--------------------|---|---------|---|--|------|
| Level 0 | Level 1 | Level 2 | Glb Prio. | | |
| ITJ CSR | CSR Strategy and Integration | 0,220 | Integration of CSR into business strategy and operational activities 0.212 | 4.7% | |
| | | | Continuous improvement and innovation in CSR programs 0.573 | 12.6% | |
| | | | Development and empowerment of communities as a core part of CSR 0.215 | 4.7% | |
| | Program Management and Evaluation | 0,110 | | Effective management and regular evaluation of CSR programs 0.271 | 3.0% |
| | | | | Risk management and anticipation of errors in program implementation 0.439 | 4.8% |
| | | | | Impact measurement and continuous evaluation towards program goals 0.290 | 3.2% |
| | | | | | |
| | Stakeholder Engagement | 0,202 | | Active involvement of stakeholders in local communities 0.288 | 5.8% |
| | | | | Respond and adapt to the needs and expectations of stakeholders 0.276 | 5.6% |
| | | | | Communication and transparency with all related parties 0.176 | 3.6% |
| | | | | Bottom-up approach and understanding of community needs 0.260 | 5.3% |
| | Sustainability and Responsiveness to Change | 0,353 | | Responsiveness to climate change and environmental sustainability 0.225 | 7.9% |
| | | | Adaptation to market dynamics and social changes 0.318 | 11.2% | |
| | | | Initiatives to protect natural ecosystems and preserve biodiversity 0.268 | 9.5% | |
| | | | Application of sustainability principles in all aspects of CSR programs 0.189 | 6.7% | |

| Decision Hierarchy | | | | |
|--------------------|--------------------|-------|---|-----------|
| Level 0 | Level 1 | | Level 2 | Glb Prio. |
| | Reputation | 0,115 | Building and maintaining a positive image through CSR 0.242 | 2.8% |
| | Building and Image | | Creating tangible value and positive impact for the community 0.266 | 4.2% |
| | | | Managing and preventing negative impacts on operations and company reputation 0.392 | 4.5% |
| | | | | 1.0 |

Pertamina ITJ can significantly enhance its Corporate Social Responsibility (CSR) initiatives by integrating various strategic approaches, each quantified by specific percentages. Focusing on continuous improvement and innovation in CSR programs (12.60 percent) is essential for making significant advancements. Similarly, prioritizing the development and empowerment of communities (4.70 percent) forms the crux of sustainable CSR impacts. Effective management and regular evaluation of CSR programs (3.00 percent), coupled with proactive risk management and error anticipation (4.80 percent), are vital for ensuring smooth operations. The role of impact measurement and continuous evaluation (3.20 percent) is critical in keeping the initiatives aligned with their goals. Actively involving stakeholders, including local communities (5.80 percent) and adapt to the needs of stakeholders (5.60 percent), enhances the relevance and strengthens relationships. Moreover, maintaining communication and transparency (3.60 percent) is key to building trust. A bottom-up approach (5.30 percent) ensures a deep understanding of community needs, while responsiveness to climate change and environmental sustainability (7.90 percent), along with adaptation to market and social dynamics (11,20 percent) and initiative to protect natural ecosystems (9.50 percent), keeps the programs pertinent and forward-looking. Emphasizing sustainability principles across all CSR aspects (6.70 percent) aligns with the company's environmental and social values. Building a positive image (2.80 percent) and generating tangible community value (4.20 percent) are also essential objectives, just as managing potential negative impacts on operations and reputation (4.50 percent) is fundamental for long-term success. By adopting these multifaceted approaches, Pertamina ITJ not only achieves direct community benefits but also fosters sustainable and inclusive development.

Alternative Result



Picture 2. Alternative programs

The bar (Picture 2) chart entitled "Consolidated Result" provides a visual representation of the strategic priorities of an organization or entity. The category of "Community Empowerment" stands out as the most significant, holding a majority share of 39.98 percent. This indicates a strong focus on initiatives aimed at enhancing community self-reliance and empowerment, potentially signaling a commitment to social sustainability and supporting local communities in improving their socio-economic status. Additionally, "Capacity Building" is a substantial priority at 32.33 percent, suggesting a strategic investment in enhancing the skills and capabilities of individuals or groups through education, training, or other forms of human capital development to drive organizational effectiveness. In contrast, the category of "Infrastructure" is given a moderate priority of 16.15 percent, indicating an acknowledgment of the significance of foundational physical systems and assets. However, it is ranked lower than categories focused on human empowerment and capacity building. This suggests that while infrastructure is essential, it plays a more supportive role rather than being the primary focus of strategic efforts. Additionally, the actions related to "Charity" are prioritized the least at 11.53 percent, suggesting a preference for sustainable development strategies with long-term impact over immediate charitable activities. Overall, the data indicates a strategic approach that prioritizes long-term community impact, human development, and empowerment over short-term aid and physical infrastructure, promoting a comprehensive and empowering organizational strategy.

Discussion

Within the company's extensive CSR strategy, the emphasis on Community Empowerment, Capacity Building, Infrastructure Enhancement, and Charitable Initiatives demonstrates a sophisticated and multifaceted approach to corporate social responsibility. The upcoming phase of the CSR strategy will involve implementing a dynamic action plan in four key areas, with a particular focus on Community Empowerment and Capacity Building. The Community Empowerment initiative will prioritize heightened educational campaigns as part of integrating CSR into business strategy and operations, with the goal of achieving a significant 20% increase in community engagement. The next step will involve expanding market access and enhancing digital marketing support, effectively meeting stakeholder expectations and highlighting the company's dedication to inclusivity and innovative CSR practices.

Furthermore, in the realm of Infrastructure, the company's alignment with risk mitigation and stakeholder engagement exemplifies its proactive approach. The company's future focus is on enhancing collaboration to enhance individuals' skillsets and enable their involvement in company operations. In conjunction with endeavors in Capacity Building, ITJ is poised to establish strategic alliances for MSME Training and introduce an online platform for Creative Training for Youth as manifestations of the company's adaptability to changing market conditions and societal trends. These initiatives aim to foster awareness of climate change and environmental sustainability.

Moreover, the Charitable Program is designed to fulfill strategic Corporate Social Responsibility (CSR) goals, namely engaging stakeholders and minimizing adverse effects on operations and reputation. The execution of charity initiatives is centered on aiding stakeholders in meeting essential basic requirements. By determining resource allocation, devising strategic frameworks, and formulating action plans through social mapping, the organization can utilize this data internally. CSR management can give precedence to community advancement, encompassing provisions for essential needs, offering specialized skill training, backing production facilities, involving a broader

spectrum of individuals, and ultimately fostering mutual value with the organization.

CONCLUSION

The comprehensive research on Pertamina ITJ's Corporate Social Responsibility (CSR) program, employing thematic analysis and the Analytic Hierarchy Process (AHP), provides a nuanced understanding of the company's CSR strategies and their effective implementation. The thematic analysis of the interviews reveals a deep integration of CSR into Pertamina ITJ's business strategy, highlighting the significance of community development, sustainability, stakeholder engagement, and ethical responsibility. These interviews underscore the multifaceted nature of CSR, revealing complexities such as the balance between community empowerment and business strategy, the impact of external market dynamics, and the importance of a bottom-up approach in understanding and meeting community needs. The findings show Pertamina ITJ's commitment to not only adhering to its ethical responsibilities but also actively involving communities and stakeholders in the CSR process, thus fostering a holistic approach to community development and sustainability. The AHP methodology, with its structured decision-making process, has successfully identified and prioritized key components of CSR, emphasizing areas like continuous improvement, community development, risk management, stakeholder engagement, and sustainability. This methodological approach has proven instrumental in quantifying the relative importance of different CSR aspects, enabling a more objective and data-driven evaluation.

In conclusion, research indicates that there are numerous strategies for enhancing environmental management and the integration of corporate social responsibility (CSR) initiatives. One key strategy involves optimizing resource allocation and adopting a more flexible approach to program design and implementation. By investing in high-impact programs and regularly evaluating and adjusting their efforts, companies can more effectively address environmental and social challenges, promote sustainability, and foster internal accountability. Through a comparative analysis of various CSR programs and their outcomes, companies can identify opportunities to allocate resources more efficiently to meet environmental and social needs. By utilizing social mapping and assessing the effectiveness of each CSR program, companies can focus on initiatives with the greatest potential for impact, thereby improving the success and longevity of their CSR endeavors. This approach enables companies to target areas with the highest potential for positive change, resulting in lasting benefits for both the community and the environment. However, this approach may present challenges, such as the need for rigorous monitoring and evaluation to guide resource allocation and potential resistance from stakeholders accustomed to the current system. Nevertheless, with careful planning, stakeholder engagement, and a commitment to continuous improvement, Pertamina ITJ can overcome these challenges and enhance the efficacy and sustainability of their CSR initiatives.

This study focused only on existing CSR programs and did not consider potential new ways to make an impact. Limited data availability may have affected the depth of analysis. The perspectives of various stakeholders, especially those from affected communities, may not have been fully included. The recommendations are based on current market and environmental conditions, which could change rapidly. The ability to implement these recommendations may be limited by internal resource constraints at ITJ Pertamina, such as financial and logistical limitations.

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