

CSR Program For Handling Socio-Economic Problems: Social Mapping (Urban Area Study Of Industrial Areas In Gresik Regency, East Java, Indonesia)

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ABSTRACT

The right CSR program for handling socio-economic problems can be implemented through social mapping. Therefore, it is important to conduct study on CSR programs for handling social problems: social mapping (study of urban areas in industrial areas in Gresik Regency, East Java, Indonesia) which aims to determine the geographical, demographic, psychographic, economic and socio-cultural conditions, and program recommendations for handling socio-economic problems as an industry CSR program. Data analysis is in the form of SWOT. The study used 100 respondents consisting of 20 respondents for 5 urban villages/villages. The study used secondary and primary data through Focus Group Discussion (FGD). Data analysis is in the form of SWOT. The results of the study explain that geographical, demographic, psychographic, economics, and socio-cultural conditions are almost the same in the 5 urban areas. But each region has the urgency of handling different problems. The three (3) main problems that must be addressed are inadequate facilities and infrastructure, environment, and lack of development of MSMEs. Program recommendations for handling socio-economic problems are based on FGD and SWOT as input for CSR programs that must be carried out by an industry.

KEYWORDS: Socio-economic problems, SWOT Analysis, CSR Program, Social Mapping.

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I. INTRODUCTION

Socio-economic problems will arise in industrial areas, the existence of large industries in Gresik Regency, East Java, Indonesia can cause socio-economic problems. The complexity of increasingly complex socio-economic problems has placed Corporate Social Responsibility (CSR) as a thought that is expected to provide new alternative solutions for empowering the poor (Untung Hendrik Budi, 2008). The above socio-economic problems can be handled if a company carries out CSR programs that are based on the desire to develop with the community. According to Untung Hendrik Budi (2014), corporate social responsibility is an ongoing commitment from the business world to act ethically and contribute to the economic development of the local community or the wider community. In addition, Situmeang (2016) explained that along with the development of global environmental issues, CSR concepts and applications are increasingly developing, including in Indonesia. CSR is not only a corporate social obligation. But CSR can encourage community involvement and initiative in developing, implementing and evaluating the company's CSR programs, so that CSR programs are able to create self-sufficient communities. The CSR program has a significant impact on the community, the environment, and will not cause social problems between stakeholders and or companies if they first conduct correct social mapping.

Social mapping is also able to provide a more transparent, specific, measurable picture and able to explore the needs of the community in a participatory manner. Ami Dilham and Putra Umar Maya (2016), said that socio-economic mapping can see the characteristics of the socio-economic ability of the community. Bambang & Melia (2013), explained that social mapping also includes the mapping of social networks to describe the social relationships between households or members of the groups or the communities being observed. According to Amy Hillier (2007), the benefits of social mapping are as follows: sustainability & traditional strength of the survey; providing a flow of social networks that describe the behavior of social communities; identify the needs & assets of community groups (communities); proven to be able to provide services to the community; provide the right delegation to the rightful society and community. But actually the social mapping goal is more than that, namely how the community is aware of the problems it is facing, knows its potential, and understands its needs and is motivated to do self-development/action to optimize its potential to solve the problem.

Several previous studies on social mapping, among others, the mapping study results by Teuku and Zaimuddin (2015) found that there are potential conflicts in the areas prone to social conflict in Tanggamus Regency. According to Margana Wiratma's study results (2010) through social mapping 4 dimensions of CSR practices can be identified, namely profit, political performance, social guidance, and ethical values. The study results by Umar and Ami (2017) indicate that through socio-economic mapping, 2 policy references can be identified, namely the short and long term references. According to Elisabet and Domenec (2004), the territory mapping can find good areas to implement CSR of an industry. The results of Bambang's study (2006) indicated that through social mapping the potential of community empowerment can be identified.

Purpose

Based on the explanation above, it is very important to conduct study on CSR Programs for the Management of Socio-Economic Problems: Social Mapping (Urban Regional Study of Industrial Areas in Gresik Regency, East Java, Indonesia) with the aim among others: the arrangement of the description or condition of the region and the community regarding the geographical, demographic, psychographic, economic, and social cultural conditions of the community, as well as recommendations for programs to address socio-economic problems as CSR programs of an industry.

Theoretical Basis

Social problems (Bambang & Melia F, 2013) are related to social conditions of individuals in society such as conditions of deterioration in community welfare, including poverty, underdevelopment of education, unemployment, termination of employment, spread of diseases, suicidal tendencies, abuse of drugs or narcotics. Socioeconomic problems are social problems triggered by economic problems such as poverty, unemployment.

Social mapping is a mapping of social institutions that apply to the community of an area that can be different in shape and pattern with people in other regions (Bambang, 2006). The mapping of social problems in a region includes the description of an area regarding geographical, demographic, psychographic, and socio-cultural conditions. Geographical conditions include area, population growth, road facilities, village infrastructure, land structure, and settlement density. Meanwhile, the demographic condition is in the form of population composition based on age, gender, education, livelihood, income level, birth rate, mortality rate and migration. Meanwhile, psychographic conditions include lifestyle, social behavior, social activities, and community interest. Socio-cultural conditions are the form of social strata of society, characteristics of family culture, the value of social interaction between communities, social groups and social institutions. According to Alistrair Sutcliffe (2008), there are 2 social mapping work flows, namely looking at the comparison of the structure and order of society; from the Epidemiologist that is everything related to the population level. Meanwhile, according to Untung Hendrik Budi (2014), Corporate Social Responsibility is an ongoing commitment from the business world to act ethically and contribute to the economic development of the local community or the public.

II. METHODOLOGY

The data used are primary and secondary data. Primary data are obtained through discussions with community groups (Focus Group Discussions), observations, and surveys. Secondary data are population aggregate data (2016) and required documents taken from villages/urban villages, sub-districts and other sources. The urban area of industrial area is an area that borders other urban villages in the industrial region, namely Urban Villages NP1, NP2, NP3, NP4, and NP5. There were 100 respondents consisting of 20 respondents from the 5 urban villages, which include community components i.e. the urban village heads/village heads, the heads of the RT, RW, PKK, Karang Taruna, LKMD/K, and UMKM, as well as the community. The measuring instrument used is a questionnaire.

Data analysis in this study is descriptive and SWOT analysis. SWOT analysis is an acronym for Strengths, Weaknesses, Opportunities, and Threats. SWOT helps in identifying organization's core competencies i.e. potential strengths and utilizing those in exploiting opportunities and counteracting threats; and identifying weaknesses in order to be diminished them (Agarwal, Grassl & Pahl, 2012). Meanwhile, the urgency of handling social problems is based on the weighting of the problem area. Directions/recommendations are in the form of FGD-based programs by taking into account the strengths and opportunities that exist, and minimizing existing shortcomings and threats.

III. RESULTS AND DISCUSSION

Geographical conditions of the 5 observed areas (Urban Villages of NP1, NP2, NP3, NP4, and NP5) in Gresik Regency are the same, among others, the elevation of the land is between 3 - 4 meters above sea level, rarely rain, lowland, and hot weather.

The community activity level in the those urban villages looks quite solid and encourages better socioeconomic growth. From Table 1, information is obtained that most of the areas in the NP1, NP3 and NP5 urban villages are for settlements. But most of the NP2 and NP4 urban villages are designated as public buildings in the form of roads, offices, shops, schools, sports facilities, markets and places of worship, as well as industry. Meanwhile, land in this urban area is already certified. This fact is obtained that the urban villages of NP1 (98.63%), NP3 (90%), NP2 (80.71%) have units of land that have been certified. Whereas the land in the NP4 urban village (84.48%) has not been certified.

Most of these urban areas are densely populated where the ratio between women and men is almost the same. Population density/residential areas in NP2, and NP3, NP4, and NP5 urban villages is high, but the density in NP1 Urban Village is low. Meanwhile, the density of households/residential areas in the NP2, NP3, NP4, and NP5 urban villages is high whereas the density in NP1 is low. Meanwhile, the average person per household is between 3-5 people.

The people in this urban areas are actively learning and carrying out religious activities that they adhere to and they have good and complete facilities of worship. The source of the clean water facilities is only PAM water, piping, and water is obtained by buying it from traders. All households in this region have used electricity. There are no residents who defecate on rivers/ditches/sewers. All houses have latrines/toilets.

Most of the residents in this urban areas are not yet prosperous. Few residents are employed in the urban villages of NP2 (47.97%), NP3 (21.79%), and NP4 (39.84%), including civil servants, private employees and entrepreneurs/micro and small enterprises, and fishermen. But most of them earn a small income so that it is only enough for food needs. Even so, the condition of the houses of the residents in these 5 regions is quite good, that is, most houses use electricity, concrete-walled homes, tiled/ceramic floors, roof tiles. Most of the houses are self-owned. Most residents have communication media such as television, cellphones, satellite dishes, and the internet.

Economic activity in this industrial area is active. The number of large and medium-scale industries is in the urban villages of NP2 and NP3. Home industries or MSMEs in the region are underdeveloped. The problems they face include lack of capital and marketing network. The types of MSMEs in the region are mostly for food, namely opak, fish crackers, shrimp paste, smoked milkfish, catfish cultivation, pudak, potato chips, jubung, cookies, tempe, and lontong. Then MSMEs for clothing such as religious needs are songkok, Muslim clothes. Others are for trading such as coffee shops, cell phone counters, grocery stores, and rice stalls.

Urban village heads/village heads have an important and central role in the community, by having a direct relationship with existing community institutions. In addition, this urban area can have potential social problems i.e. from vulnerable groups, namely poor families, pregnant women, children, and the elderly. CSR programs have been widely implemented in these 5 regions but have not yet had an impact. They have CSR in the form of scholarship programs and those who graduate are accepted as employees and working capital loans they have are considered as programs that are carried out on an ongoing basis and can improve welfare.

The SWOT analysis (Strength, Weakness, Opportunities, and Treatments) on the community and urban areas of the industrial area (NP1, NP2, NP3, NP4, and NP5) is explained in the Table 1.

Table 1. SWOT Analysis

No.	SWOT	Description
1.	Strength	<ul style="list-style-type: none"> • Road conditions are good so transportation is smooth. • Health, education and public facilities are relatively adequate • Most people have communication media • Public interest to improve capabilities and skills is relatively high. • The community is active in social and religious activities.
2.	Weakness	<ul style="list-style-type: none"> • A lot of workers have inadequate education and skills • Public facilities are only in the markets, cooperatives and mini markets
3.	Opportunity	<ul style="list-style-type: none"> • Many social and community organizations have not been empowered yet • Public awareness of clean environment and tax payments is still lacking,
4.	Challenges	<ul style="list-style-type: none"> • There is a good support from the companies and the urban village/village administrations towards community activities, especially sustainable CSR programs and have an impact on community welfare, regional development and environmental hygiene • The opportunity for the development of MSMEs in Muslim clothing • There are many big industries and MSMEs, but they are lacking in hiring local residents for workers even though they have adequate education and skills, so many of them are unemployed • Local residents who work have small income • Have flooding problems because of dirty sewers.

Source: the results of data processing

From Table 2, it can be explained that there are 8 problem areas, namely facilities and infrastructure, environment, lack of development of MSMEs, the role of urban villages is not optimal, health, welfare, social religion, and education. But there are 3 main problems of the community in 5 urban areas of industrial areas in Gresik Regency i.e. inadequate infrastructure, environment, and lack of development of MSMEs. See Table 2.

Table 2. Urgency for Handling Problems

No.	NP1	NP2	NP3	NP4	NP5
1.	Facilities and infrastructure	Facilities and infrastructure	Environment	Environment	Lack of development of MSMEs
2.	Environment	Lack of development of MSMEs	Facilities and infrastructure	Education	The role of the urban villages is not yet optimal
3.	Lack of development of MSMEs	Environment	The role of the urban villages is not yet optimal	Health	Health
4.	The role of the urban villages is not yet optimal	Social and religion	Health	Social and religion	Environment
5.	Public welfare	The role of the urban villages is not yet optimal	Public welfare	Public welfare	Social and religion
6.	Social and religion	Health	Lack of development of MSMEs	Lack of development of MSMEs	Public welfare
7.	Health	-	-	The role of the urban villages is not yet optimal	Education
8.	-	-	-	Facilities and infrastructure	Facilities and infrastructure

Source: the results of data processing

Through SWOT and FGD analysis, program recommendations are made in these 3 main problem areas which can be the planning of CSR programs for urban areas of industrial areas in Gresik Regency which can be seen in Table 3.

Table 3. Program Recommendations

No	Problems and conditions	Program Recommendations
1.	<p>Facilities and infrastructure</p> <ul style="list-style-type: none"> • There are still people who defecate on the beach/sea • The facilities for urban village service to the community are not adequate • Open green garden • More optimization of specific land areas 	<p>Handling problems through:</p> <ul style="list-style-type: none"> • Assistance for public toilets is required to raise clean environmental awareness • Support for urban villages/villages in the form of: trash cans, trash push carts, wheeled corpse coffins, garbage disposal basins, and water pumps • Open green garden • The use of special regional land for the markets or multi-purpose buildings for sport facilities and community empowerment or hydroponic land • Support for the urban villages in the form of <ul style="list-style-type: none"> ➢ Hearses, ambulance cars to provide services to the community ➢ Mobile library cars and children’s play equipment ➢ Capital assistance for the Village-Owned Enterprises • Facilities for sporting events
2.	<p>Environmental problems:</p> <ul style="list-style-type: none"> • The seashore/sea is dirty and smelly and contaminated • Air pollution • Trash • Clean water problem <p>Flood</p>	<p>Handling of environmental problems through the followings:</p> <ul style="list-style-type: none"> • The companies in the surrounding areas minimize the occurrence of air pollution and disposal of factory waste into the sea because it has an impact on the health of citizens. • Training for disaster management and development of emergency response teams such as floods, air pollution, etc. by involving community participation • Seaside/beach cleaning program and environmental health. Collaboration between local governments, communities and the surrounding companies. • The establishment and mentoring of waste banks and training in waste management into more valuable products (value added) • Mangrove conservation • Training to raise environmental awareness such as cleaning of waterways to prevent flooding
3.	<p>Lack of development of MSMEs</p> <ul style="list-style-type: none"> • Lack of business capital • Lack of marketing support <p>Lots of coffee shops</p>	<p>Handling problems through:</p> <ul style="list-style-type: none"> • Working capital loans for MSMEs can come from banks, financial institutions, and State-Owned Enterprises • Exhibition activities, bazaars both inside and outside the city, IT training for online marketing • Training and mentoring of coffee concoction

Source: The results of data processing

IV. CONCLUSION AND RECOMMENDATIONS

Socio-economic growth in urban areas of industrial areas in Gresik Regency can be encouraged in a better direction given the geographical conditions they have, namely the relatively high elevation of the land i.e. 3-4 meters from the sea level, rarely rain, lowland, and hot weather. Access to the areas is easy to reach. The condition of most roads is good, although some roads are still damaged due to the impact of large vehicles. The areas are used for settlements, public buildings such as offices, shops. These urban areas must receive attention from the government and industries because the region has a relatively high population density and will continue to grow. Meanwhile, existing public facilities are considered inadequate. Gresik Regency is also known as the santri area. The majority of urban communities are Muslims. People actively learn and carry out their religious activities. In addition, the facilities and infrastructure of religious activities owned by the area are good and complete. The region has many industries but have not supported the welfare of the population and regional development. The population is not yet prosperous, but education and skills are relatively adequate. Meanwhile, MSMEs in the region are underdeveloped and the problems they face are lack of capital and lack of marketing networks. The urban village heads have great strength and high interests for the community and community organizations that exist. There are many CSR programs but they have not provided an impact. The only good CSR program is scholarship program where graduates participating in the scholarship can be hired as employees. This is a program carried out on an ongoing basis and can improve the welfares of the people and give the opportunity for the MSMEs to get work capital loans. Vulnerable groups consist of poor people, toddlers, pregnant women and the elderly.

The social problems that arise in these 5 regions are 8 problem areas, namely the environment, community welfare, social and religion, facilities and infrastructure, lack of development of MSMEs, health, the role of the urban villages is not yet optimal, and education. But the urgency of handling problems in these 5 areas is different in the problem areas. There are 3 main problems namely inadequate facilities and infrastructure, environment, and lack of development of MSMEs.

Local governments and industries in Gresik Regency need to synergize in running community improvement programs and regional development based on FGD by taking into account the strengths, weaknesses, opportunities and threats posed by the community and region. So that community welfare and regional development can be achieved without creating new problems.

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