Contribution of Corporate Social Responsibility (CSR) of multinational companies in Indonesia during the COVID-19 pandemic

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ABSTRACT

The purpose of this study is to explain the various CSR contributions of multinational companies in Indonesia during the Covid-19 pandemic, especially for the community and affected parties. The research method used is descriptive qualitative with in-depth analysis to describe the topic of the problem to be studied. The final results of this study indicate that in improving the quality of life and empowering the community and surrounding agencies and communities during the Covid-19 pandemic, various multinational companies in Indonesia also contribute to social responsibility. The implementation of CSR of multinational companies in Indonesia to the public during the Covid-19 virus outbreak has the opportunity to make changes for the better in channeling social responsibility contributions with development goals in the long term to achieve balance with the community and stakeholders. Several multinational companies in Indonesia that are used as samples in this study are CSR contributions carried out by PT Unilever Indonesia, PT Gojek Indonesia, PT Asuransi Allianz Utama Indonesia, Danone Indonesia, PT Nestlé Indonesia during the Covid-19 pandemic. Most of the company's CSR programs are donations, based on this it can be seen that CSR contributions during the pandemic are aimed at affected communities, medical personnel, and communities or agencies.

1. Introduction

The world is in the midst of an outbreak of a virus known as Covid-19. This type of virus greatly interferes with the condition of a person's immunity and respiratory system (Ihm & Lee, 2021). With accompanied by mild symptoms such as flu to symptoms of shortness of breath, high fever, etc., Covid-19 can be said to be a fairly deadly virus (Prayudi et al., 2021). The end of December 2019 became the beginning of the emergence of a pandemic which until now has managed to spread evenly in almost all countries in the world (Daniel, 2020). The Covid-19 virus was first discovered in the city of Wuhan, China. The spread of the virus is fairly fast. The first Covid-19 cases in Indonesia occurred 3 months after the emergence of the virus, namely in early March 2020. Based on data from Worldometers reported from the tribunnews.com page, Indonesia was recorded as the highest additional Covid-19 death case in the world. for three consecutive days (Lomicka, 2020).
The existence of Covid-19 is quite disturbing and makes people worry. Because, regardless of a person's age and gender, this virus can attack anyone. Even worse, if Covid-19 attacks someone who has a history of serious illnesses such as asthma, heart disease, cancer, diabetes, and other serious illnesses, the Covid-19 virus will have a fatal impact on that person (Horesh & Brown, 2020). Due to the outbreak of cases of the Covid-19 virus which has spread to almost all corners of the world, it is not uncommon for the impact to be quite serious (Nguyen et al., 2020). The effects that occur do not only have an impact on the physical condition of the community but also harm all aspects of life such as education, economic aspects and have succeeded in crippling the business and business sectors (Wahyudi & Adhani, 2021). On the other hand, every company, especially multinational companies, has a social responsibility which is an activity that must be carried out for the company (Rendtorff, 2020). In addition to the interests of boosting image and reputation, this is also done to empower the community to improve the quality of life and a beneficial environment.

However, in maintaining the company during the current Covid-19 pandemic, various challenges must be faced by companies in implementing CSR programs. Although the perceived negative impact is quite difficult for the company (Fadillah et al., 2019). However, the challenges that will be faced can be seen and used as opportunities or opportunities for the company. To strengthen capital and maintain the image of the company itself, the efforts that can be made are by implementing CSR programs during the Covid-19 pandemic (Schaffer Deroo et al., 2020). However, the company needs to reorganize by reorganizing some of the programs that have been prepared, including the targets they want to achieve (Xifra, 2020). The purpose of this program redesign is so that the social responsibility program that will be implemented can be by the situation and conditions that occur. So it is hoped that the programs created and carried out in helping to overcome the Covid-19 can provide satisfactory benefits (Akbari & McClelland, 2020). Because there are several factors or other components that will be included in the scope of the company's calculations in implementing its social responsibility activities during the Covid-19 pandemic. Seeing the situation that has occurred, the public or the public certainly really hopes for social responsibility assistance and also the contributions made by the company's business actors to the public during the Covid-19 pandemic. Seeing such a situation, it will be seen how the form of corporate social responsibility to the community. Based on the phenomena described above, the researchers are interested in bringing up the topic of analytical discussions about the CSR contribution of multinational companies in Indonesia during the COVID-19 pandemic.

2. Theoretical Framework

The general concept of CSR has three main cores, including CSR, namely: First, companies participate actively in overcoming social and environmental problems voluntarily, thus companies have the right to implement or not implement CSR; Second, in the interest of social empowerment and improving environmental quality, the company provides part of the profit for philanthropy;
Third, CSR as a form of the obligation of a company in caring for and overcoming humanitarian and environmental crises (Davahli et al., 2020).

According to Pearce and Robinson, which is translated by Kiroyan, defines that companies are obliged to provide social services to the community as well as provide profit benefits to stakeholders and are carried out continuously in the long term to provide awareness to managers that in strategic planning, the implementation of CSR is a very important provision (Ratten & Jones, 2021).

Based on this, in the current development, there is one theory in CSR, namely the social contract theory. Social contract theory is a social contract activity that occurs between owners, customers, employees, communities, and stakeholders (Fajri, 2021). The company is a unit that has the goal of making a profit. So that in business activities, this is not only related to personal scope but also the public. Based on this idea, therefore, interested parties see that the company has a responsibility that must be carried out morally, socially, and environmentally so that a mutualistic relationship can be established between the two so that it can bring benefits to the company (Suparnyo, 2010). CSR does not only show the company's attention to social and environmental issues, but also as a supporting party in balancing several aspects of social, economic, and environmental development.

3. Method

The research method used in this research is using descriptive qualitative research method with in-depth analysis. The data collection technique used in this research is to use the literature study method (Valunaite Oleskeviciene & Sliogeriene, 2020). Systematically, the flow of research stages carried out using the literature study method begins with the collection of primary data and secondary data. Next perform data processing or citing references found. Then it is abstracted with complete information, then interpreted into knowledge for concluding (Bahrini & Qaffas, 2019). Because during this research there are limitations faced by researchers, therefore the type of data taken is secondary data in this study. Most of the secondary data obtained came from various reliable sources such as articles and official websites that were related to the research (Creswell & Guetterman, 2019). To minimize the problems that will be described, this study will clearly explain the form of CSR contributions of multinational companies in Indonesia during the Covid-19 pandemic by focusing on social responsibility programs for affected communities.

4. Results and Discussion

The forms of CSR Implementation of Multinational Companies in Indonesia during the COVID-19 Pandemic are as follows:

1) PT Unilever Indonesia

PT Unilever Indonesia is a multinational company from London in Indonesia. This company is engaged in the production of consumer goods (Mahajan, 2016). During the 85 years that the company, which is headquartered in Tangerang, has been established, several factories have spread across various parts of Indonesia, namely Jababeka-Cikarang, Rungkut-Surabaya. Now, Unilever Indonesia has 44 brands. Unilever products in various categories including Pepsodent, Lux, Lifebouy, Sunsilk, Clear, Rexona, Vaseline, Rinso, Molto, Sunlight, Wall's, Royco, Bango, and various other products. Based on market capitalization on the Indonesia Stock Exchange (IDX) in 2015, Unilever Indonesia managed to rank as the fourth largest company (Manjurul Hossain Reza, 2020). As a socially responsible company, Unilever Indonesia has a Sustainability program that is carried out based on the principles of the Unilever Sustainable Living Plan (USLP). The USLP consists of three pillars, namely improving health and well-being, reducing environmental impacts, and improving livelihoods (unilever.co.id).

In supporting national efforts in dealing with Covid-19, Unilever Indonesia has played a role in helping fight the Covid-19 outbreak. This activity is carried out with various forms of support such as the provision of hand sanitizer products, soap, and other hygiene care products.
In addition, by involving the government and various partnerships such as health institutions, and other organizations, Unilever Indonesia distributed financial assistance and product donations amounting to Rp. 50 billion to the people of Indonesia. In collaboration with the Indonesian Mosque Council (DMI), Pertamina, and Indah Logistik, in the context of the “Clean Mosque Movement” Unilever distributed several packages of cleaning products to 100,000 mosques (Sinulingga, 2019). Unilever Indonesia also collaborates with the Ministry of Health of the Republic of Indonesia and the Indonesian Association of Environmental Health Experts (HAKLI). Through the “Clean School Movement” and the “Clean Environment Movement”, the efforts made are to disinfect schools and several public spaces. The assistance carried out by Unilever Indonesia is a form of support for the government in helping to deal with the spread of the Covid-19 virus outbreak that hit Indonesia and to improve the lives of many people (Pandey et al., 2021).

2) **PT Gojek Indonesia**

Gojek is a brand owned by PT Application Karya Anak Bangsa (Rafikasari, 2020). This multinational company from Indonesia, which has been established in 2010. As one of the startup companies engaged in providing online application-based transportation services, Gojek has succeeded in expanding its corporate network to various countries in Asia such as Singapore, Thailand, Vietnam. Gojek can be used through the application by providing various service features that are adequate to support the needs of the Indonesian people, such as transportation, food delivery, ticket sales, etc. In carrying out its social responsibility practices, PT Gojek Indonesia strives to create long-term positive impacts for humans and the planet (Assegaff & Pranoto, 2020).

Gojek Indonesia’s efforts in overcoming challenges during the COVID-19 period, Gojek managed to collect Partner Assistance Funds with a total of Rp. 100 billion. The budget, which is sourced from 25% of the annual income of employees and senior management, will be given specifically to driver-partners who use the Gojek platform (Assegaff & Pranoto, 2020). The form of partner assistance funds is realized through 12 driver-partner welfare programs which are divided into three main parts, namely the provision of health services, relief of daily expenses, and income assistance. In the health service program, Gojek distributes health equipment such as masks, hand sanitizers, and vitamins.

In addition, driver-partners are also given health insurance coverage during the Covid-19 pandemic. Furthermore, in the daily fee reduction program, Gojek through the Anak Bangsa Foundation could provide an opportunity for driver-partners to buy healthy and economical food...
packages at GoFood MSME merchants. In collaboration with Alfamart, Gojek distributed several shopping vouchers for necessities at Alfamart to driver-partners. In the income assistance program, Gojek collaborates with the government through several ministries. This is to ensure that driver-partners can participate in the government's income assistance program through direct cash assistance (Andhini, 2017).

3) **PT Asuransi Allianz Utama Indonesia**

Allianz Indonesia is a multinational company engaged in life insurance, health, and pension funds. This German company was founded in 1890. Then in 1989 Allianz expanded its business in Indonesia by establishing PT Asuransi Allianz Utama Indonesia (Amani & Markonah Markonah, 2020). The company is very experienced in the aspects of insurance services and asset management. Thus, Allianz has a very strong financial position. Allianz Indonesia provides a variety of insurance products which include individual insurance, general insurance, group health insurance, micro-life insurance, credit life insurance, and online insurance.

![Fig. 4. (Source: allianz.co.id)](image)

Allianz Community for Neighborhood and Society (ACTIONS) is a program established by Allianz Indonesia's Corporate Social Responsibility (CSR). In the implementation of CSR program activities during the Covid-19 pandemic, there were various efforts made by Allianz Indonesia. By inviting as many as 242 volunteers, the ACTIONS program distributed donations in the form of 120 food packages in the Depok area, West Java, and provided 7350 non-medical masks to several cities in Indonesia. In addition, as for other forms of CSR programs, namely through the Allianz Peduli Foundation, Allianz distributed donations to several 1350 families in Jakarta, Bogor, and Bekasi in the form of electronic shopping vouchers worth Rp. 50,000 along with non-medical masks for each family head. The form of this responsibility program is a form of Allianz Indonesia's efforts to play a role in helping to ease the burden on the Indonesian people affected by the Covid-19 virus (Gusti, 2020).

4) **Danone Indonesia**

Danone is one of the largest companies in the world that focuses on the production of a variety of foods and beverages based in France. Behind the company's slogan which was launched in 2017 namely "One Planet One Health", Danone wants to invite consumers to make a healthier eating and drinking movement. Because, based on Danone's vision, that the health of the people and the health of the planet have a connection. The Danone product brands are well-known in Indonesia, such as Aqua, VIT, VIT Levite, Mizone, SGM Eksplor, Bebelac, Nutrilon Royal (Danone). As a company that has the largest bottled water brand and industry in Indonesia, Danone Indonesia actively participates in carrying out its social responsibility activities (Arquisola & Walid Ahlisa, 2019).

In dealing with the Covid-19 pandemic in Indonesia, Danone AQUA and Danone Specialized Nutrition Indonesia are trying to increase assistance to a total of Rp. 30 Billion. The scale of distribution of donations is not only limited to the national level but also the regional level (Risa, 2020). The forms of assistance provided were in the form of cash, health and safety equipment, as well as Danone products which were given to several hospitals in Indonesia that helped treat Covid-19 patients.
At a different time, Danone Indonesia assisted in the form of cash amounting to Rp. 15 Billion. In collaboration with the Indonesian Institute of Sciences (LIPI), Danone Indonesia provides hygiene products such as disinfectants and hand sanitizers (Gunawan et al., 2016). The distribution of medical equipment and safety equipment was also carried out by involving several hospitals and the government. To maintain health and complementing nutrition and hydration for health workers and patients affected by Covid-19, Danone collaborates with various communities such as Aksi Cepat Tanggap (ACT), Indonesian Doctors Association (IDI), Indonesian Pediatrician Association (IDAI), Community Development UI, and FK-UI, by distributing food and product packages for free. Meanwhile, for the various assistance provided, Danone hopes that it can support the health and safety of underprivileged groups of people affected by the Covid-19 virus as well as to health workers who play an important role in tackling the virus outbreak that is spreading in Indonesia (Arquisola & Walid Ahlisa, 2019).

5) PT Nestlé Indonesia

Nestlé Indonesia is a subsidiary from Switzerland, namely Nestlé S.A. which has been operating for 150 years. This company has been present in Indonesia since 1873 and operated in 1971 and emerged as a food and beverage product company that focuses on health and nutrition (Hamzah et al., 2021). The types of Nestlé product brands that are well known in Indonesia are Nestlé KOKO KRUNCH, KIT KAT, Milo, NESCAFÉ, Dancow, Bear Brand, etc. Until now, Nestlé has successfully operated 3 factories which are widely spread in several parts of Indonesia, namely East Java, West Java, and Lampung. The contribution of Nestlé’s CSR program is considered very good, it deserves to be ridiculed by the award given by the West Java Government as the largest Corporate Social Responsibility (CSR) contribution in the West Java Province throughout 2020 (Pillay & Scheepers, 2020).

In tackling the COVID-19 outbreak in Indonesia, Nestlé Indonesia also strives to carry out its social responsibility activities through various efforts and support (Dean Best, 2021). One form of support provided by Nestlé Indonesia to the government to help overcome Covid-19 is in the form of distributing social assistance to the Ministry of Social Affairs (Kemensos) of the Republic of Indonesia through the Nestle Cares program. The assistance provided was in the form of more than 54,000 nutritious food and beverage products (Singh et al., 2021).
beverage products have been distributed directly by Nestle Cares to health workers in need and the public affected. Of course, Nestlé Indonesia's CSR activities involve the government and also collaborate with various government agencies and hospitals. This is done to fulfill the needs of the community by positioning the health and safety of the community and front-line officers in dealing with COVID as a top priority (Krylov et al., 2021).

5. Conclusion

The Covid-19 pandemic that has spread widely throughout the archipelago has managed to have a detrimental effect on every aspect of life. This has an impact on communities affected by Covid-19. All components have helped the government in dealing with this serious global epidemic. One component that has also contributed to the prevention of COVID-19 is multinational companies through the Corporate Social Responsibility (CSR) program. Contributions through CSR programs that are implemented can be an opportunity for companies to channel their good intentions to the community and community. CSR activities are carried out in addition to building the company's image, but as a form of support and assistance to the government in lightening the burden during the pandemic by cooperating with and involving many communities, agencies, and other parties. The five sample companies described above, namely PT Unilever Indonesia, PT Gojek Indonesia, PT Asuransi Allianz Utama Indonesia, Danone Indonesia, PT Nestlé Indonesia show that as large multinational companies in Indonesia, they have made very good contributions in the form of donations that are in natural material and non-material to the community. In the future, it is hoped that the company will present more CSR programs that are better suited to the needs of the community and the surrounding environment.

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