ANALYSING COMPANY POLICIES AT PT. SEMEN BATURAJA TBK

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Abstract
When it was founded on November 14, 1974, the company was born under the name PT Semen Baturaja (Persero) with a 45% share ownership owned by PT Semen Gresik and 55% PT Semen Padang. The company runs a business specifically in the production of slag with the production center located in Baturaja, South Sumatra. Meanwhile, the cement milling and bagging process are carried out at the Baturaja Factory, Palembang Factory, and Panjang Factory which are then distributed to the Company's marketing areas. PT Semen Baturaja (Persero) Tbk is a company engaged in the cement industry and is aware of the risks arising from its operations to workers and the environment. The COVID-19 pandemic period greatly affected the company's work system in all fields, including the PT. Semen BATURAJA Tbk, because many projects are delayed or constrained. By developing corporate strategy, improving employee performance, conducting periodic checks on corporate governance in detail, and increasing the efficiency of the use of raw materials.

Keywords: PT. Semen Baturaja, company, risks, Covid-19, strategy

INTRODUCTION
PT. Semen Baturaja (Persero) Tbk

At the time of its establishment on November 14, 1974, the company was born as PT Semen Baturaja (Persero) with a 45% shareholding owned by PT Semen Gresik and PT Semen Padang by 55%. Five years later, on November 9, 1979, the company changed its status from Domestic Investment (PMDN) to a Company with a composition of 88% owned by the Government of the Republic of Indonesia, PT Semen Padang by 7% and PT Semen Gresik by 5%. A few years later, in 1991, the Company's shares were taken over in full by the Government of the Republic of Indonesia. Furthermore, the Company continued to develop so that on March 14, 2013, PT Semen Baturaja (Persero) changed its status to an open Company and changed its name to PT Semen Baturaja (Persero) Tbk.

The Development of the Company's Cement Products

The Company runs business wheels specifically in the production of slag with the production center located in Baturaja, South Sumatra. While the process of cement milling and bagging is carried out at Baturaja Factory, Palembang Factory, and Panjang Factory which are then distributed to the Company's marketing areas. The raw materials for the Company's cement products in the form of limestone and clay obtained from the Company's limestone and clay mining
sites are located about 1.2 km from the factory in Baturaja. Other supporting raw materials such as silica sand are obtained from partners around the Baturaja area; iron sand obtained from partners in Lampung province; Gypsum is obtained from Gresik Chemical Petro as well as imports from Thailand; while the bag

Cement is obtained from finished bag manufacturers sold domestically. In order to develop the business carried out, the Company refined existing equipment to achieve the target of installed capacity of 50,000 tons of cement per year as well as an effort to increase installed capacity. For this reason, PT Semen Baturaja (Persero) Tbk carried out Optimization Project 1 (OPT I). The project began in 1992 and was completed in 1994 with the installed capacity increasing to 550,000 tons of cement per year.

The company runs business wheels specifically in the production of Slag based in Baturaja, South Sumatra. While the process of grinding and bagging cement is carried out at Baturaja Factory, Palembang Factory, and Panjang Factory, which is then distributed to the Company’s marketing areas. Now, the Company has penetrated the main markets around South Sumatra and Lampung as well as areas of Indonesia that are enjoying fairly good and stable economic growth. The target of this marketing area is also a step to increase sales and reach installed capacity. As for distributing each product, the Company uses distributors with a network spread throughout south Sumatra, Lampung, Jambi, and Bengkulu, the presence of the Company in the midst of the community is believed to be able to provide benefits both to the Central and Regional Governments in the form of taxes and levies, as well as to shareholders through the provision of dividends, dividends and to the surrounding community through absorption of local labor, as well as in the form of partnerships and environmental development for the community around the factory.

**Vision, Mission, and Values - Company Values**

**Vision**

Become the leading Green Cement-Based Building Material Company in Indonesia.

**Mission**

We are a provider of cement-based building materials of national pride.

1) We provide quality products, environmentally friendly and sustainable supply;
2) We guarantee customer satisfaction by prioritizing excellent service;
3) We are committed to building a country for a better Indonesia.

**Company Values**

The alignment of company values is in accordance with the policies of the Ministry of SOEs as stipulated in the Circular Letter of the Minister of SOEs Number: SE/7/MBU/07/2020 dated July 1, 2020, concerning The Core Values of Human Resources of State-Owned Enterprises, where all SOEs are obliged to apply the main values of AKHLAK to become a corporate culture, namely trust, competent, harmonious, loyal, adaptive, and collaborative.
Company Policy

PT Semen Baturaja (Persero) Tbk, in order to become the leading green cement-based building material company in Indonesia, is committed to:

1) Prioritizing quality and excellent service in meeting the expectations, needs and satisfaction of customers on an ongoing basis;
2) Conducting business by implementing GCG (Good Corporate Governance) and Risk Management and increasing the company's efficiency and productivity in order to create added value for the Company and its Stakeholders;
3) Provide an appropriate framework for establishing, reviewing, and improving the objectives and targets of the Baturaja cement management system and improving and developing Baturaja Cement Management System in a sustainable manner;
4) Comply with all applicable laws and regulations and other requirements including relevant Stakeholder requirements;
5) Comply with all work safety regulations in accordance with applicable laws and other requirements related to the implementation of OHS in the workplace, eliminate hazards and minimize oh-third risks, provide and create a safe, comfortable, healthy, and efficient workplace for everyone in the company environment to create a safety culture, and always improve the quality of work safety management by implementing a Safety Management System and Occupational Health and prevention of occupational accidents, diseases due to disease and fire;
6) Carry out active efforts to prevent & combat the abuse and circulation of narcotics, psychotropics and other addictive substances (NAPZA) in the workplace and take disciplinary measures against workers who are not willing to participate in prevention and countermeasures programs and rehabilitation due to drug abuse, implementing prevention and countermeasures of HIV/AIDS and other dangerous infectious diseases through education and media that are considered effective and not distinguish the workforce of HIV/AIDS cases in terms of employment opportunities, promotion, education, training or other special treatment;
7) Preventing environmental pollution, treating B3 (Hazardous and Toxic Materials) and non-B3 wastes, and participating in reducing the causes of climate change by participating in mitigation efforts against environmental damage (water, air, and soil) and degradation of biodiversity index value (IKH), and participating in reducing the impact of air emissions and Greenhouse Gases (GHGs). Reduce, utilize and perform 4R (Reuse, Recycle, Reduce, and Recovery) B3 Waste and Non-B3 Solid Waste;
8) Carry out energy efficiency and optimize the use of alternative or renewable energy sources and conservation of natural resources, ensure the availability of information and resources needed to achieve energy goals and targets, and support the procurement of energy-efficient products and services that affect energy performance and support design activities that consider improving energy performance;
9) Develop effective and efficient distribution channels and implement consistent laboratory operations;
10) Carrying out continuous innovation in the form of product diversification in the form of quality and environmentally friendly cement-based derivative products;
11) Develop Human Capital competencies on an ongoing basis to support the management of the Company;
12) Empowering the community and the environment around the Company through the implementation of CSR (Corporate Social Responsibility) that is consistent and in line with sustainable development and pays attention to the interests of Stakeholders.

Company Policies Related to Environment and OHS

PT Semen Baturaja (Persero) Tbk is a company engaged in the cement industry and is aware of the risks arising from its operations to workers and the environment. The Company is consistently determined to always protect workers, company assets, the environment, and surrounding communities from potential hazards and manage and improve the quality of the environment to realize sustainable improvements, and the principles of environmentally sound sustainable development goals (SDGs) through 5 environmental science concepts, namely: Interaction, Interdependence (Dependency), Harmony (Alignment), Diversity, and Sustainability. To make it happen, the company’s commitment to environmental management and OHS are:

1) Comply with All Laws and Regulations, requirements, standards, and other legal tools related to Quality Management, Occupational Safety and Health (3) and Environmental Aspects, namely Natural Resources, Energy, Air Emissions, Water Conservation, water pollutant loads, 3R B3 Waste, 3R Non-B3 Solid Waste, Biodiversity and Corporate Social Responsibility (CSR);
2) Ensuring all potential hazards have been identified and control all activities that can cause harm by complying with the company's OH&S regulations for all workers and contractors;
3) Managing the work environment and health of workers well in achieving high degrees of health;
4) Using natural resources in the form of raw materials, energy, water, and supporting materials wisely and not excessively;
5) Semen Baturaja as part of the operation conducts energy management by applying sustainability principles. The implementation of energy efficiency programs is aligned with the results of energy audits and continuous improvements;
6) Conducting water conservation programs and reducing the burden of water pollutants that have an impact on improving the quality of the environment;
7) Reduce Greenhouse Gas (GHG) and Conventional Emissions in order to prevent air pollution to the surrounding environment which has an impact on reducing the quality of the environment;
8) Reducing the number of deposits of Hazardous and Toxic Material Waste (B3) and Non-B3 Solid Waste that have an impact on improving the quality of the environment;
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9) Creating and implementing endemic and rare biodiversity management protection programs both in-situ and ex-situ;
10) Aligning all criteria programs related to environmental aspects (Natural resources, energy efficiency, air emissions, water efficiency, domestic wastewater, 3R Waste B3, 3R Non-B3 Solid Waste, Biodiversity, and Corporate Social Responsibility (CSR) with sustainable development goals (SDGs) in order to achieve the targets of each SDGs indicator;
11) Establish and implement all criteria programs related to environmental aspects, namely: Natural Resources, energy efficiency, air emissions, water efficiency, domestic wastewater, 3R B3 waste, 3R non-B3 solid waste using the Life Cycle Assessment (LCA) method to map the potential environmental impact of the entire life stage of a product;
12) Carry out cooperation with stakeholders (interested parties) namely government agencies, academics, community organizations, institutions, or community groups to actively contribute to environmental management and CSR programs based on Community Empowerment (Empowerment) on a local, national and international scale.

This policy is documented, implemented, maintained, reviewed periodically, and communicated to everyone in the Company and is available to the general public in need.

METHOD

This research uses a descriptive type of qualitative research. The data used in this study included two sources, primary data, and secondary data. Primary data was taken from observation. While secondary sources are taken from literature studies that include access to documents and articles relevant to the research topic.

RESULT AND DISCUSSION

PT Semen Baturaja Tbk prepared several strategic policies to spur productivity, efficiency, and revenue performance in this pandemic era, including:

1) Product quality policies that adjust to customer needs, continuity of supply such as the readiness of the transport fleet to the readiness of buffer stock in strategic sales areas, and the sale of derivative products, such as white clay, cement mortar, and porous concrete. Meanwhile, SMBR said the increase in the 2021 State Budget for the infrastructure sector by 47.3 percent to Rp414 trillion brought good news for the country's cement industry. Not to mention, the projected national economic growth this year of 4 percent - 5 percent also adds to the company's enthusiasm for a better period than last year.

The government has started the construction of strategic projects and Semen Baturaja is participating in government strategic projects that provide opportunities for the company to increase sales volume and overcome cement oversupply since the beginning of the year, SMBR has targeted a number of infrastructure and building projects in the company's main market area to boost sales. A number of projects ranging from the construction of the Trans Sumatra toll road to power plants have been included in the company's records.
Strategic projects supported by Semen Baturaja, such as the construction project of the Sumsel 8 Steam Power Plant (PLTU) in Muara Enim, the supply from SMBR has reached 103,000 tons from the estimated need of 130,000 tons will be completed this year. SMBR has supplied cement for the continued construction project of the Trans Sumatra toll road indralaya - Muara Enim along 65 kilometers which requires 84,000 tons of cement. The toll road project is expected to be completed in 2022 and so far SMBR has supplied up to 20,800 tons. Several other strategic projects that have been obtained by SMBR a.l. expansion of Tanjung Api-Api noodle factory owned by PT Indofood CBP Sukses Makmur Tbk. and PT OKI Pulp & Paper Mill project for the production of ready-mixed concrete supply.

2) The development of B3 waste treatment innovation becomes more usable and can increase the revenue coffers of PT Semen Baturaja (SMBR), one of which is by collaborating with PT. NHL. Around the production area of his company, in South Sumatra, a lot of waste can be processed. It is expected that PT. NHL as a subsidiary of SOEs can be a consolidator to realize PT Semen Baturaja's concern for environmental sustainability and armed with permits that have been granted by the Ministry of Environment and Forestry (MOEF) by utilizing waste. Waste that is initially toxic, dangerous, and has absolutely no economic value can be converted into economic value because it can be utilized. Either be an alternative raw material or an alternative fuel. All of that is done in the hope of producing environmentally friendly production;

3) PT. SEMEN BATURAJA (SMBR) has also innovated its business model by expanding the business to downstream products, as well as building alternative fuel and raw material (AFR) facilities and waster heat recovery power generator in the company;

4) During the Covid-19 pandemic, demanded the implementation of digitalization on all fronts, including marketing. So companies build digital solutions by forming "White Labelling". During the Covid-19 pandemic period, as much as possible, companies should not be lazy and not enthusiastic, precisely in this New Normal Era, the company must be motivated to rise from the slump, and the spirit of activity with all limitations of fighting together to achieve the company's targets;

5) Forming Indonesia Cement Research Institute with Semen Cluster, developing human resources through talent pool, and optimizing Knowledge Management application. To support production performance, Company 2020 made efficiency efforts in the form of reducing the average clinker factor from 74.03% to 71.68% while maintaining product quality. The Company also conducts research with the Indonesia Cement Research Institute (ICRI) and cement & concrete research institutions, other building materials in the context of the use of fuel and substitution materials, and the development of other cement derivative products;

6) Implementing strategies regarding business innovation models such as expanding business downstream products, increasing factory utilities, and strengthening SOE synergy with cement clusters and BUMN Karya;
7) Repackaging investment credits, in addition to delaying some development investments aimed at strengthening cash flow;
8) Increase market share by improving distribution channels and distribution systems and price policies. Among them by carrying out production cost efficiency and business costs, including raw material costs, auxiliary materials, logistics & marketing costs, and overhead loads;
9) PT Semen BATURAJA renegotiates contracts for the procurement of goods and services for raw materials, fuel, transportation services, and other public services;
10) In order to optimize organizational functions and support efficiency programs, PT SEMEN BATURAJA conducts organizational restructuring and optimization of Outsourcing Manpower (TKAD).

CONCLUSION
From the results of the analysis that has been made, the following conclusions can be obtained:
1) PT Semen BATURAJA (Persero) Tbk said that there was an increase in the state budget in 2021 by 47.3% and the government began the construction of several strategic projects involving PT. PT. Semen BATURAJA (Persero) Tbk in the process. Of course, this is an opportunity for the company to increase sales volume and overcome cement oversupply since the beginning of the year;
2) As for several ongoing projects involving cooperation between PT. PT. Semen BATURAJA (Persero) Tbk includes the construction project of PLTU South Sumatera 8 in Muara Enim, as a cement supplier for the continued project of the Trans Sumatra toll road in Indralaya - Muara Enim, and the expansion of the noodle factory in Tanjung Api Api;
3) PT. PT. Semen BATURAJA (Persero) Tbk has innovated by expanding its business to downstream products and building alternative fuel and raw materials (AFR) and waste heat recovery power generators in the company. During this pandemic, the company also contributed to digital development by forming "white labeling"; and
4) In 2020, the company made efficiency efforts in the form of reducing the clinker factor from 74.03% to 71.68% and conducted research with the Indonesia Cement Research Institute (ICRI) and cement & concrete research institutions in the context of the use of fuel and substitution materials for the development of other cement derivative products.

REFERENCE