INDONESIAN GOOD CORPORATE GOVERNANCE IN AN IVORY TOWER: COMMUNICATION ETHICS PERSPECTIVES

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ABSTRACT

The implementation of corporate governance that has been running so far tends to be an ivory tower that looks beautiful to look at, but is empty in its contents, such a charming appearance to be seen but is nothing more than makeup and decoration. This is of course a homework shared by all parties, the people as the main stakeholders expect the role and function of the government and the Parliament to grow a figure of trust with high integrity to bring progress to every State Own Enterprise corporation.

Key Words: Good Corporate Governance, Communication Ethics, State Own Enterprise

ABSTRAK

Implementasi tata kelola perusahaan yang berjalan selama ini cenderung menjadi menara gading yang tampak indah dipandang, namun kosong pada isinya, seperti sebuah rupa yang menawan untuk dipandang namun tidak lain hanya sebatas riasan dan hiasan. Ini tentu saja sebuah pekerjaan rumah bersama seluruh pihak, rakyat sebagai stakeholder utama berharap peran dan fungsi pemerintah dan DPR menumbuhkan figur amanah yang berintegritas tinggi untuk membawa kemajuan bagi setiap korporasi BUMN.

Kata Kunci: Tata Kelola Perusahaan, Etika Komunikasi, BUMN

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INTRODUCTION

The public recently was shocked by the inappropriate actions of the code of ethics and legal norms carried out by individual directors of a BUMN in the aviation business, namely Garuda Indonesia. The board of directors unlicensed several items of high value through an airline which incidentally is under the control of the board of directors. Apparently this bad record is like a repeat of the previous disgraceful act committed by the same director. The note is to create manipulative company financial reports in the middle of the previous year.

On the subjective level of public opinion, the majority of citizens say that business corporate activists in BUMN will fight to fight bad corporate governance. This is because the noble duty of having a business in BUMN is to contribute to the welfare of the people. In fact, instead of the campaign and the establishment of the implementation of good corporate governance, it displays a reality that is contrary to expectations.

Reported by BBC News (2019) with the headline "The Garuda Indonesia Case: Erick Thohir Fires Several Directors Regarding the Alleged Smuggling of the Harley Davidson Case" which was published on December 8, 2019. The news is as follows;

Aviation observers considered the smuggling of motorbike and bicycle components on board as the lowest point in the leadership of a BUMN. According to Soejatman, this case brought the worst precedent of a BUMN leadership. However, in terms of good corporate governance, the lowest point was during the financial reporting period. This refers to the alleged engineering of Garuda Indonesia’s financial statements in 2018.

At that time, the Supreme Audit Agency stated that Garuda was suspected of fabricating financial reports, which showed that the company had booked a profit. This finding made the Financial Services Authority oblige the airline to revise its reports. After repairs, reports show that Garuda actually recorded a loss of US $ 175 million or equivalent to Rp2.45 trillion. In fact, in a previous report, the company claimed to have posted a net profit of US $ 5 million or Rp. 699.9 billion.

Decree of the Minister for State-Owned Enterprises (BUMN), Erick Thohir, to remove Ari Askhara. According to Gerry, leadership is a key topic. If the employees want the airline to be advanced and clean, but the leadership wants to take Harley without being declared, it means that the airline is dysfunctional. He agreed with Minister Erick Thohir that Ari Askhara should be replaced.

Meanwhile, the Special Staff of the Minister of State-Owned Enterprises (BUMN), Arya Sinulingga, stated that Ari Askhara's removal would be used as a momentum so that Garuda Indonesia could become better.

“Every event we make momentum. With this, we can find good Garuda directors so that they can handle Garuda well. We choose the best person, both at the level of the board of directors and the level of the commissioner. If the person is correct, 60-70% of corporate affairs are finished ”.

LITERATURE REVIEW

That the public's memory of this incident is part of the examples of deviations from the practice of implementing good corporate governance, and also in relation to the practice of BUMN corporate governance, it must contain principles, among others, Transparency, Accountability, Responsibility, Independence, and Justice. One more addition is the principle of independence for the implementation of corporate governance in Indonesia (Arafat and Fajri, 2009). It is important and non-negotiable, that the application of all these principles is one package and comprehensive and integral without neglecting other principles.

Good corporate governance or better known as GCG is not enough, but the key is in the next stage, namely Compliance, as an arena that
shows that everything that has been set-up in GCG is done obediently and faithfully in every aspect and management step. company.

Compliance with the organization is not only on this issue and it is not allowed, but starting from the loyalty of everyone to the company's vision and mission, strategies, policies, SOPs, ethics, law, and even daily behavior related to the company's interests. Tolerating just one small thing, it will be the beginning that will be fatal to the existence and future of the company. Unfortunately, the weakness of most organizations in this country is Compliance. What happens is that all the rules, laws and regulations are just on good paper and stored on file.

However, this is not found in the day-by-day business operation practices. And even more tragic, this keeps happening in such a way that it becomes a culture that is built without realizing it. At this level, everyone tends to be no longer compliant, disobedient and only for personal interests, the group is even more damaged by the company becoming an arena for competing for lots of material interests. Company is only a means of satisfying the temporal nature of material and worldly greed. And the end is death for the company, namely death or if it doesn't die right, becomes suspended animation. This case is closely related to ethical issues. Ethics begins when humans reflect ethical elements in our spontaneous opinions. We will feel the need for reflection, partly because our ethical opinions often differ from those of others. For this reason, ethics is needed, namely to find out what humans should do.

Methodologically, not everything judging actions can be said as ethics. Ethics requires a critical, methodical and systematic attitude in reflecting. That's why ethics is a science. As a science, the object of ethics is human behavior. However, unlike other sciences that also examine human behavior, ethics has a normative point of view. It means that ethics see from the good and bad point of view of human actions. One of the goals of ethics is to obtain the same concept of good and bad judgment for all humans in a given space and time.

Ethics itself is divided into three main parts, namely meta-ethics (the study of ethical concepts), normative ethics (the study of determining ethical values), and applied ethics (the study of the use of ethical values). So, it can be concluded that the definition of ethics in general is a rule or norm that can be used as a reference for a person's behavior related to the good and bad traits committed by a person and is a moral obligation and responsibility. In simple terms, ethics is the science of decency that determines how humans should live in society, which concerns the rules or principles that determine correct behavior (Zaky, 2019).

Meanwhile, communication ethics is a norm that can be used as a reference for one's behavior in communicating. When an issue arose regarding the plan to dismiss the President Director of Garuda, it turned out that there were still denials and rejections coming from those concerned. The leader of the Business Entity should think first before denial.

Communication ethics teaches that intrapersonal communication is important. For example, is it appropriate for me to respond to something, whereas I myself have committed irregularities and abuse of authority? Intrapersonal communication or communication with oneself needs to be done to foster a sense of belonging and a sense of responsibility.

**RESEARCH METHODS**

The research method used in writing this paper is the library method. Activities to collect information relevant to the topic or problem that is the object of research. This information can be obtained from books, scientific papers, theses, dissertations, encyclopedias, the internet, and other sources. By conducting a literature study, researchers can utilize all the information and thoughts relevant to their research.
The role of literature study before research is very important because by carrying out this activity the relationship between problems, relevant research and theory will become clearer. In addition, research will be further supported, both by existing theories and by real evidence, namely research results, conclusions and suggestions.

Literature study is a task that is continuously carried out during research activities. A research will produce a scientific work, because it must be able to contribute to the progress of science. Careful examination needs to be done, starting from choosing the title, so that there is no duplication of problems that have been researched by others (Zed, 2004).

RESULTS AND DISCUSSION

In the perspective of law enforcement, we often see, read or hear that many BUMN officials are indicated by legal problems because these officials are indicated to have committed corruption in various forms such as bribery, fraudulent acts that ultimately enrich themselves, other people or their companies, of course like mountains. es, irregularities in BUMN that are visible to the public's view, and of course it will hurt the feelings and reasoning of the public if it turns out that the irregularities are repeated without creating a deterrent effect for the perpetrator. How much state money has been injected as capital for the life of the BUMN corporations, which are of such number, but the irregularities that occur are endless.

In the perspective of law prevention, the important keywords in implementing good corporate governance in my opinion are 2 (two) things, namely growing the Sense of Belonging (a sense of belonging) and the Sense of Responsibility (sense of responsibility) at all levels. the highest to the lowest level contained and attached to the BUMN corporation.

Sense of Belonging (a sense of ownership of) the public mandate, that companies are the state's tool to build people's welfare, grow a strong and competitive economy, not to be controlled for the sake of personal, family and group interests alone, because the mandate is so strong that only people who with high integrity that deserves to carry out and bring BUMN corporations to be more advanced, and not make the people the target market for BUMN businesses only.

Sense of Responsibility (sense of responsibility for) the mandate, which was born from a sense of belonging to the trust of the people. The people are the main stakeholders in the BUMN corporate business, nothing else. The government is only entrusted with managing it properly, cleanly and profitably. There is nothing wrong with loss as long as the business is carried out properly and appropriately according to the rules of the game. Because the potential for business when there is a loss for the corporation is a risk, but still pay attention to the right side of risk management.

The implementation of corporate governance that has been running so far tends to be an ivory tower that looks beautiful to look at, but is empty in its contents, like a form that is charming to behold but is nothing but limited to make-up and decoration. This is of course a homework with all parties, the people as the main stakeholder hope that the role and function of the government and the DPR will foster a trustworthy figure with high integrity to bring progress to every BUMN corporation.

According to Gulo (2019), it is indeed ironic, because the case that saw Garuda Indonesia this time became the tip of the iceberg that seems to be plaguing the body of this airline. Just imagine, just a few months ago Garuda Indonesia demonstrated a fatal mismanagement, when two members of the Board of Commissioners refused to sign the financial statements for the 2018 financial year. After the BUMN Minister at that time intervened, it was finally announced in August that Garuda Indonesia had not made a few trillions of profit according to the initial financial report, but
instead had a fantastic loss of over Rp 2 trillion rupiah. What was originally recorded as profit.

Thankful for this country, because at that time the SMI Minister of Finance was quick to act, immediately freezing the legal entities of the two KAPs that audited PT Garuda Indonesia. And the Minister of BUMN also acts quickly to straighten all Garuda's financial reports correctly. And this time, Garuda made a terrible blunder by importing illegal goods into Indonesia, namely spare parts from Harley Davidson and luxury bikes smuggled in a Garuda plane that had just been purchased from France. Again, this country is grateful because the Minister of BUMN was quick to act by dismissing the number one person at PT Garuda Indonesia from a very respectable position, namely the President Director. This part is interesting, because even though Erick Thohir had asked to resign before he dishonorably fired him, it seems that the President Director of Garuda did not budge.

Erick Thohir within hours of takeaction and firing. This is a very cool management stage for a controller of all BUMN. The two incidents above are very strong indicators of Compliance Management within PT Garuda Indonesia which is not carried out properly and professionally. Even far from world level professional standards for example.

Even the two incidents that occurred in the last 5 months are strong indicators that in fact, so far, PT Garuda Indonesia has not been managed in a GCG manner and is far from being professional as a demand from a company that has gone public. At this level, the management of Garuda Indonesia has actually injured public justice, especially Garuda shareholders, and the public who have been loyal to use Garuda's services, even as a state-owned company, have also betrayed the public interest as a support for the progress of this nation's development.

It must be understood that the current era is the era of Compliance Management. The company will be successful if it is able to become and maintain compliance in all things. Because what is really at stake when the company does not comply is the reputation and the future of the company. Imagine if a company has damaged its reputation, then it will no longer be trusted by customers, the market and all its stakeholders.

In the financial and banking industry, for example, compliance is the key that binds all management processes that are carried out. So that customer trust will be more maintained and stronger from time to time. Customers no longer worry that their funds are stored safely and comfortably there. Not only is it safe, but also provides satisfying results in the long run.

Therefore, the actions of the Minister of BUMN, Erick Thohir, should be appreciated with two thumbs up, because he is giving lessons to anyone about compliance. Concerning the understanding that compliance management binds all things that exist within the company to achieve maximum success. Implementing compliance by all employees in the company must start with the Top Executive and not the OB or its employees. A CEO or BOC who is very obedient, very compliance, all his subordinates will follow him.

As a role model and role model. But on the other hand, a CEO who is very loose, disobedient and often uses improvisation outside the GCG corridors, the company will slowly collapse. The BUMN owned by this country as many as 142 business units with total assets under management of around 8000 trillion rupiah, with millions of employees, can no longer be managed with only a very beautiful GCG formula on paper and stored in a safe. But what is needed is a strong hand of CEOs and Commissioners or BOCs needed to encourage everyone to comply. Moreover, PT Garuda Indonesia, which has been going public since 2011, should all formulations of GCG be obedient and consistent. But it seems that until now it has not changed.

Just look at the price of Garuda's shares on the Indonesia Stock Exchange, which at the IPO was worth Rp. 650 per share, so it never crossed that figure again. At best, it moves around the
price of around Rp. 400, and juts into the figure of Rp. 200. It seems that Garuda has not been converted. For example, the failure of the IPO in 2011, when the IPO was only absorbed about 35% of its shares, or undersubscribed, the underwriters consortium worked hard to cover the remaining 65%. Because investors do not have high confidence in Garuda as a state-owned company.

CONCLUSION

Without integrity, no matter how many rules of the game apply to the corporate process business journey, then the story of irregularities will continue to occur. The corporate supervisory mechanism that lies with the Board of Commissioners as the shareholder's power to assess and supervise the performance of the Board of Directors is also very important. Position and function of the Board of Commissioners It is not just a formality for the politics of reciprocation so that it is easy to get a "share" of the "seat" for commissioners in BUMN.

Of course, this is an honest view for most people, of course it is not entirely wrong when the figure is chosen because of his proven competence and experience and integrity contribution. The momentum of change should not be lost, it is time for officials in BUMN corporations to dare to fight their personal interests so that the implementation of corporate governance is not limited to beautiful ivory towers but porous and fragile in its contents.

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