

**CONSTRUCTING AN UNDERSTANDING OF SUSTAINABILITY  
REPORT IN THE PERSPECTIVE OF POSTMODERNISM:  
AN IMAGINARY DIALOGUE IN THE STUDY CASE OF PT.  
TELEKOMUNIKASI INDONESIA, TBK.**

**Liberyan Sananwirya  
Made Sudarma  
Gugus Irianto**

University of Brawijaya

**Abstract**

The Study is an imaginary dialogue in nature. It uses a Postmodernist perspective in analysing the understading of sustainability report of PT Telekomunikasi Indonensia, TBK (Hereafter, Telkom). There are three persons in the imaginary dialogue: Accountant, Telkom Technologist, and Environmentalist. The study found that through the dialogue there are two basic thought on sustainability report by Telkom. The first is a model of accountability where Telkom could show its governance and responsibility to run the company. The second is a model of sustainable business where Telkom could be understood their businesses are concerned to financial prosperity, social awareness and environmental care.

**Keywords:** Sustainability Accounting and Reporting, Social and Environmental Accounting, Imaginary Dialogue, Postmodernist Perspective, and Telkom.

**Prologue: imaginary dialogue on sustainability reporting**

Here is the power of imagination<sup>1</sup>. Entire of the study is an imaginary dialogue. Basically, we are living in this earth because of the existence of its environment. Then, the key is how is to sustain the environment? Many companies spend their efforts mainly because of money. Money,

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1 As stated by Remez (2012), Imagination is a great power that can change your whole life. It is used extensively in magic, creative visualization and affirmations. It is the creator of circumstances and events. When you know how to work with it, you can make your hearts' desires come true. Imagination is a creative power that is necessary for inventing an instrument, designing a dress or a building, painting a picture or writing a book. The creative power of imagination has an important role in the achievement of success in any field. What we imagine with faith and feelings comes into being. It is the power beyond creative visualization, positive thinking and affirmations.

money and money are the focus of their interest. It is interesting when we see the movie of Wall Street (1987) and Wall Street part II 2010 (Money Never Sleep). Gekko, as Corporate Raider in the Movie, said

*The point is, ladies and gentleman, that greed, for lack of a better word, is good. Greed is right, greed works. Greed clarifies, cuts through, and captures the essence of the evolutionary spirit. Greed, in all of its forms; greed for life, for money, for love, for knowledge has marked the upward surge of mankind.*

Sustainability is based on a simple and long-recognized factual premise: Everything that humans require for their survival and well-being depends, directly or indirectly, on the natural environment. The environment provides the air we breathe, the water we drink, and the food we eat. It defines in fundamental ways the communities in which we live and is the source for renewable and non renewable resources on which civilization depends. Our health and well-being, our economy, and our security all require a high quality environment.

The study is an imaginary thought in the form of dialogue<sup>2</sup>. The dialogue is between three persons which are Accountant, Environmentalist, and Telkom Technologist. The Three are engaged to share an accounting knowledge in particular of methodology and method in a postmodern accounting research of sustainability accounting. This is, for me, a big thought being a researcher knowing bit beyond a theory of accounting in practice, rather it is a philosophical thought in nature. I believe some accounting people 'hate' this, but some are enjoyed to journey a trip in a philosophy of accounting methodology. Both, of course, are in a different corner. One or some is (are) in a left continuum and others are in a right one. Of course, we are not possible to meet them in 'shaking' hands. Rather, both continuums put in a critical debate and sometimes in a dispute.

Well ... enjoy yourself ... La kumdinukumwaliadin (Al kafirun: 6). This carries a meaning 'you shall have your religion and I shall have my religion'. Entire to the study, I define accounting is based on the Postmodern perspective which is as accountability processes of everyday economic, environment, social and spiritual activities involving either monetary and non-monetary values. The definition is moving beyond what has been understood as "the art of recording, classifying, and summarizing

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2 The imaginary dialogue will be explored intensively in the Chapter II. Imaginary dialogue is used as it has a great role and value in each one's life. It is much more than just idle daydreaming. We all use it, whether consciously or unconsciously, in most of our daily affairs. We use our imagination whenever we plan a party, a trip, our work or a meeting. We use it when we describe an event, explain how to arrive to a certain street, write, tell a story or cook a cake.

in a significant manner and in terms of money, transactions and events which are, in part at least, of financial character, and interpreting the results thereof (AICPA).

- Environmentalism : “ It seems to me, our world now suffers from the global industries. In twentieth century, myriad of industrial companies give bad impacts on their existence. They do not care with natural resources they use to provide something to consumers or do not consider employee, environment, consumers, or community as significant thing to sustain their business. The companies just take natural resources as many as they need to process for their economic activities without doing anything to keep or make renewable natural resources”
- Accountant : ”So, do you mean the industries did the wrong ways?”
- Environmentalism : ”Yes, they did wrong for their own businesses. There are many environmental destructions happening since the companies neglect their surrounding. They only care for their own benefit.”
- Environmentalism : “(... with strong words ...) I do not know what are the accountant works?”
- Accountant : “ ... I believe Accountant works are based on what are the ‘orders’ to do. Conventionally there are Financial Accountants, specializing on the financial report preparations, Management Accountants. Specializing on the effectiveness and efficiency of company’s costing. You could name them, such as Government Accountants, External Auditors, Internal Auditors and some other accountants related works.”
- Environmentalism : In my opinion, the conventional (mainstream) accounting<sup>3</sup>, shareholders and bondholders is the centre of attention, while other parties are often ignore. Companies face greater demands today, companies are expected to not only concerned with the interests of management and owners of capital (investors and creditors), but also employees, consumers, and society. Conventional accounting has been widely criticized for not being able to accommodate

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3 Conventional (mainstream) accounting is meant by narrowing accounting discipline in the form debit/ credit model and financial accounting only.

- the interests of society at large, and then a new accounting concept known as Social Responsibility Accounting (SRA), floats into surface which requires report of information by corporate social and environment responsibility.
- Accountant : Yes, you are right... the concept is developed with the term sustainability accounting, according to Hikmah (2004), some background on the need for disclosure of social and environmental information companies are social problems that always arise because of dissatisfaction with company policies on the environment both natural and social communities; to minimize one of them company should be concerned with the social environment; and one medium that can be used for social disclosures in the annual report.
- Environmentalism : I have a reference from Sukoharsono (2011a), he stated that the form of reports that can be used is the External Environmental Performance Report which is a comprehensive environmental report and widely publicized and known as the Sustainability Report. Sustainability reporting is a corporate performance report relating to the concept of sustainability. Sustainability Development can be defined as development to meet the needs of present generations without compromising the ability of future generations to meet their needs (World Commission on Environment and Development, 1997). It considers the ability of limited natural resources for human needs infinite.
- Accountant : Yes, I think so. Basically, sustainability accounting is to refer to a transparency of corporate social and environment report of a company's activities including social activities. Its report shows not only the financial information of the company, but also information about the impacts (externalities) to social and environmental external to the company. It is believed that companies' activities cause many social and environmental problems. From the point of view, the companies are willing to present a report that

- can reveal how much is their contributions to the social and environmental problems.
- Environmentalism : Even though ... the companies' contributions are unbalanced to replace its impacts ...
- Accountant : Yes ... of course ... unbalanced ... or ... never ...
- Accountant : (Again with calmly ...) Or at least with the report, it encourages a company to be responsible toward their society and environment where the company is located. Examples of these responsibilities vary, ranging from doing activities that can improve public welfare and environmental improvements; provision of scholarships for unfortunate children, the provision of funds for the maintenance of public facilities, contributions to public facilities which are socially benefited and useful for many people, especially communities around the company is located. Sustainability accounting is a phenomenon of corporate strategy that accommodates the needs and interests of its stakeholders. Sustainability accounting arises from an era where the awareness of long-term sustainability of the company is more important than profitability.
- Telkom Technologist : (He is listening ... to the conversations between accountant and environmentalist ... ) I believe that what both of you discussed is what now Telkom is concerned ...
- Telkom Technologist : (... He is thinking to continue his talk ...) ... hear my explanations ... PT Telekomunikasi Indonesia, Tbk (here after, Telkom) is a State Owned Enterprise (SOEs) and a provider of telecommunication services and the largest network in Indonesia (... seemingly he is proud of it ...). Telkom provides Info Comm, fixed wire line and fixed wireless, mobile telephone, data and internet, as well as network and interconnection, either directly or through subsidiaries. For SOEs, the Government of the Republic of Indonesia is a majority shareholder who controls much of Telkom's shares and the rest owned by the public. Company shares are traded on the Indonesia Stock Exchange (BEI), the New York Stock Exchange (NYSE), London Stock Exchange (LSE) and the Tokyo Stock Exchange (without listing).

- Environmentalism : ... Are your explanations relevant to what we discussed?
- Telkom Technologist : Of course ... yes ... please wait here ... I continue it ... As a part of the world of business related to the interests of society, Telkom has consistently advance while providing benefits to the public welfare and the environment, especially to avoid the negative issues from the society, associated with the negative impacts arise from company's operations. Therefore, to suppress the negative issues of the community that will facilitate the company's operations and also to enhance and maintain the good name of Telkom, Telkom must implement the accounting practices of social responsibility and sustainability reporting to the stakeholders.
- Telkom Technologist : (... He is thinking again then ... to continue his talk ...) ... See here, as a company that is go public, Telkom made sustainability report each year. Telkom's 2006 Sustainability Report was the first year report presented information on three main aspects of sustainability, namely: economic, social, and environmental. The preparation of sustainability reports based on the Sustainability Reporting Guidelines (G3) and the Telecommunications Sector Supplement (TSS) issued by the Global Reporting Initiatives (GRI).The information reported in the sustainability report is data related with the context of sustainability that are considered material, complete, and significant for all stakeholders. Similar to the2006, Telkom continued its reports to the 2007, 2008, 2009, 2010 and 2011. Telkom prepared sustainability reports based on the Global Reporting Initiatives (G3) and Telecommunications Sector Supplement (TSS). Along with the development of the GRI standard, in 2011 Telkom prepared the sustainability report based GRI version G3.1 and Telecommunications Sector Supplement (TSS).
- Telkom Technologist : ... I am proud of them ... (at last he stopped his talks).
- Accountant : ... Great ... Great ... I appreciated with the Telkom progress as you said.

Based on the imaginary dialogue above, the study is focused to the title, *Constructing an Understanding a Sustainability Report in the Perspective of Postmodernism: An Imaginary Dialogue Between Accountant, Environmentalist and Telkom Technologist in the Study Case of PT. Telekomunikasi Indonesia, TBK*

In the post modern society, the need for social account tability information is needed by the various parties because the demands are getting bigger for the business performer. Pressure and demands of stake holder sareresponded by the company by demonstrating various forms of social responsibility accounting activities to society and the environment. The emergence of paradigm sustain ability reportis considered capable of meeting the demands of corporate take holder stomeet the account ability and transparency to all stakeholders. It is interesting to be discussed because the report compiled three aspects, namely economic, social, and environ mental, or known as triple bottom line reporting. Sustainability report is apart form of sustainability accounting.

- Accountant : ... It is time to prepare a comprehensive report of a company's activities, it is not only a financial report, but it is also social, environmental and wider economic aspects ...
- Environmentalist : ... Thank you, Accountant ... You did perfectly. It was the only I knew an accountant is preparing a financial report. When I met you, it seems you enlightened me ... who are accountants? Accountants are broader than I thought ... again thank you ...
- Telkom Technologist : ... Let us back to Telkom, Telkom has great achievements in the aspects of reports, it includes sustainability reporting. In the 2011, Telkom has received the Best Sustainability Reporting Award ... Then it is good to understand how well the report is all about ...

Based on the background that has been dialogue previously, a formulation of research question of the study is 'How is Sustainability Accounting Report used to imaginarily dialogue to the interests between the Environmentalist, Accountant, and Telkom Technologist in the Study Case of the PT Telekomunikasi Indonesia, Tbk in the perspective of postmodernism?'

- Accountant : The research question is believed it would enlighten and construct people's thought (in particularly, research readers) with a new understanding of sustainability reporting phenomena in the Telkom.
- Environmentalist : Similarly, I believe this will provide a new insight in the postmodernist form of sustainability

reporting understanding using an imaginary dialogue.

Telkom Technologist : ... for me, this is a power to justify that an imaginary dialogue could be used to understand how the Telkom sustainability reporting plays an important role to its society and environment.

**Research methodology: To find the way accounting is socially understood by an imaginary dialogue**

**Postmodern Research Perspective**

Following *Kamus Besar Bahasa Indonesia*, research is an activity for collecting, processing, analyzing, and representing data activity that is committed rigorously to solve a problem or to construct a new understanding of phenomenon. Then, *Webster's New Collegiate Dictionary* views research as studious inquiry or examination especially investigation or experimentation aimed at the discovery and interpretation of facts, revision of accepted theories or laws in the light of new facts, or practical application of such new or revised theories or laws. We can conclude that research done for both discovering and constructing phenomena.

Meanwhile, Hillway (1965) in *Introduction To Research* added that research is an "orderly system of searching for truth which, by basing conclusions upon factual evidence and by using logic as a means of showing relationships between related ideas, has given better and more accurate answers to many questions" (Hillway in Lapuz, 2008). Based on the understanding, research is a method of carefully and exhaustively investigation studies of all the ascertainable evidence bearing upon a definable problem, to reach a solution for that problem and construct an understanding of phenomena.

Accountant : To construct social reality, it is suggested to understand a mode of postmodernism accounting research.

Environmentalist : Well, I believe you know better than me, exploring what is postmodernism.

Accountant : Basically, postmodernism is not only belongs to accounting discipline. It is also to all disciplines.

Environmentalist : Is it true?

Accountant : Please believe me ... Postmodernist is the way to construct a 'new' meaning of a phenomenon.



Accountant : From this point of view, the entire report we use a mode of postmodernism.

The study is based on the postmodern perspective. As it is believed postmodern could enlighten phenomena under investigation, here is for postmodern understanding.

Accountant : I remember when I read an article of Sukoharsono (2010) where ...  
“ Postmodernisme adalah ungkapan yang sangat kontroversial. Hadir dengan ungkapan-ungkapan yang serba penuh reaksioner. Sebut saja antara lain dekonstruksisme, nihilisme, lokalisme, dan spiritualisme. Kehadirannya mewarnai banyak disiplin ilmu dalam telaah mode intelektual dalam merubah paradigm berfikir tentang ontology, epistemology dan methodology. Sering pula difahami postmodernisme melakukan usaha merubah tradisi intelektual yang sudah mapan.” (Sukoharsono, 2010:1)

Environmentalist : Yes, Thinker, I have read too. It is controversial ... but it enlightens the people's thoughts on our accounting lives.

Accountant : Not everyone has the same idea and ... read this ...  
*Intelektual yang secara tradisi mengedepankan rasionalitas dan objektivitas, mulai dirubah dengan melibatkan spiritualitas dan subjektivitas. Tradisi justifikasi signifikansi kebenarandenganalatmatematisdanstatistika, diungkit dengan diskursus, partisipasi kontekstual, naratif dan transendental. Satu lagi yaitu tradisi justifikasi generalisasi, dibantah dengan mengedepankan kearifan local (local wisdom)” (Sukoharsono, 2010:1).*

Environmentalist : Thinker, I confused to understand what is postmodernism?

Accountant : Please see Postmodernism in a philosophy, suggested to read Sukoharsono (2011).

Sukoharsono (2011) draws a dichotomy between modern and postmodern. There are 5 (five) philosophical assumptions to place in distinct angles: (1) Ontological, (2) Epistemological, (3) Axiological, (4) Rhetorical and (5) Methodological Assumptions. Each assumption leads to an impact of accounting methodological choice. Of course, one to another has disputable in its essences. Ontologically, postmodern comes to an idea that reality is objective and singular, having distant from the researcher. The researcher is not embedded to an object of the research.

It is so called postmodern is subjective and multiple and being embedded in a study.

Environmentalist : Ehm ... well it is beyond my mind, Accountant!  
Accountant : I haven't finished yet explicating the Postmodern Philosophy ... here is in terms of epistemology.

Epistemology is the branch of philosophy that studies on knowledge. It attempts to answer the basic question: what distinguishes true (adequate) knowledge from false (inadequate) knowledge? The questions translate into issues of scientific methodology: how can one develop theories or models that are better than competing theories? It also forms one of the pillars of the new sciences of cognition, which developed from the information processing approach to psychology, and from artificial intelligence, as an attempt to develop computer programs that mimic a human's capacity to use knowledge in an intelligent way.

When we look at the history of epistemology, we can discern a clear trend, in spite of the confusion of many seemingly contradictory positions of what is postmodernism. The first theories of knowledge stressed its absolute, permanent character, whereas the later (Postmodernism) theories put the emphasis on its relativity or situation-dependence, its continuous development or evolution, and its active interference with the world and its subjects and objects. The whole trend moves from a static, passive view of knowledge towards a more and more adaptive and active one.

Accountant : Well ... put it this way ... the dispute is alike of Surat Al Kafirun  
Say, O unbelievers  
(1) I do not serve that which you serve  
(2) Nor do you serve Him Whom I serve  
(3) Nor am I going to serve that which you serve  
(4) Nor are you going to serve Him whom I serve  
(5) You shall have your religion and I shall have my religion (Al Kafirun: 1-5)

The Surah Al Kafirun inspires that modern and postmodern have their own contexts. It places in a particular position. Postmodern epistemologically places its position that a researcher is embedded and participate in its research object.

### **Understanding the Distinction of Postmodernism**

Accountant : I would like to explore in details on postmodernism. To make easier to understand, I will have a comparative analysis between positivism and postmodernism

Environmentalism : It is very good and I agree to it ...  
 Accountant : Please see below ...

**The Differentiation of Positivism and Postmodernism**

No	Distinction	Positivism	Postmodernism
1	The reality of fact	Fact is singular, real, and fragmentary	Fact is plural, formed, and as a unitary
2	Researcher and research subject	Researcher and research subject is dependent, so there is a dualism	Researcher and research subject work together, so inseparable
3	Possibility of generalizing	Generalizing based on free of time and free of context	Context and time based understanding phenomena
4	Possibility of causality	There is an actual caused which temporary and simultaneously working to its effect	Each unitary lies on influencing each other situation, so it is difficult to differentiates which one is caused and which one is effect
5	The role of value	The inquiry free of value	The inquiry does not free of value

Adapted : Moleong, 2000

Bogdan and Taylor (Moleong, 2007) stated that postmodernism method is a research procedure that produce descriptive data as text and also oral from observed people and observed behaviour. Meanwhile, Denzin and Lincoln in Sukoharsono (2006) defining qualitative research as follows:

*“[Postmodernis] research is multimethod in focus, involving an interpretive, naturalistic approach to its subject matter. This means that [postmodernism]researchers study thing in their natural settings, attempting to make sense of or interpret phenomena in terms of the meanings people bring to them. [postmodernism]research involves the studied use and collection of a variety of empirical materials – case study, personal experience, introspective, life story, interview, observational, historical, interactional, and visual texts –that describe routine and problematic moments and meaning in individualslive”.*

So that, in common, qualitative research is a process of steps that involves researcher, theoretical and interpretative paradigm, observational strategy, data collecting method and empirical data analysis, and also data interpretation and explanation (AgusSalim, 2006).

Strauss and Corbin, in *Basics of Qualitative Research: Grounded Theory Procedures and Technique (1990)*, explain farther about post modernism research. Following them, postmodernism research is any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification (Hoepfl, 1997). Meanwhile, Patton in *Qualitative Evaluation and Research Methods (1990)*, said that in postmodernism research “*there are no absolute rules except to do the very best with your full intellect to fairly represent the data and communicate what the data reveal given the purpose of the study.*” Therefore, qualitative research can not be divorced from subjectivity element of the researcher.

- Accountant : Basically postmodernism research has holistic character, subjective and hold on dynamic-realistic-assumption.
- Environmentalist : I heard that views on power of narrative for postmodernism research has been emphasized.
- Accountant : Yes, it is true. The reason is that postmodernism research was chosen by researchers because the problems which being analyzed have no limit of the discussion-depth-level. The main objective of postmodernism research is to understand phenomena or social phenomena by more emphasizes on comprehensive picture about phenomenon which is studied by defining them becomes related variable.
- Accountant : Moreover ...
- Accountant : Postmodernism method was chosen because this method is suitable for observing unclear problem, to find hidden meaning, to understand social interaction, to develop theory, to ensure data validity, and analyzes developing history. It is similar with Strauss and Corbin opinion in Hoepfl (1997), which said that postmodernism method can be used to better understand any phenomenon about which little is yet known.

### **Imaginary Dialogue as a Method**

- Environmentalist : Hi ... Accountant ... what is imaginary dialogue? I never heard before ... even though I believe this is a breakthrough of a method in a research.
- Accountant : Well ... Before I explore what is imaginary dialogue, I would like to explore firstly about the word of imaginary, imagine and imagination ... I use the words are interchangeable. Please do not be confused them ...
- Environmentalist : Yes, I will be ready to be not confused ...

Accountant : Environmentalist ... Imaginary, imagine and imaginations are the words used interchangeably in this study. Imaginary is the workshop of the human mind where old ideas and established facts may be reassembled into new combinations and put to new uses.

Accountant : For me, Imaginary is defined as “the act of constructive intellect in grouping the materials of knowledge or thought into new, original and rational systems, the constructive or creative faculty; embracing poetic, artistic, philosophic, scientific and ethical imagination.”

Imaginary has been called the creative power of the soul, but this is somewhat abstract and goes more deeply into the meaning than is necessary from the viewpoint of a student of accounting who wishes to use the course only as a means of attaining material or monetary advantages in life. The imagination is both interpretative and creative in nature. It can examine facts, concept and ideas, and it can create new combinations and plan out of these.

Accountant : Environmentalist ... Imaginary dialogue is also a method of a conversation created and held in one person’s imagination who has a strong vision on constructing a new phenomena. For example, you may imagine a conversation between you and your boss as to why you haven’t done your task before you actually have the conversation.

The challenging issue for identifying relevant imaginary dialogue methods and classifying them relates to just what is being integrated in a research. From an initial understanding of what (structured/ semi/ and unstructured) imaginary dialogue might integrate, this develops a list of elements that is believed possibly being integrated-these included facts, judgments, visions, values, interests, epistemologies, time scales, geographical scales and world views. These provided the basis for further interrogating the literature on dialogue and hunting out case studies. In terms of the elements it is identified in a research. It is believed that imaginary dialogue methods specifically geared to integrating judgements, visions, world views, interests and values.

Accountant : To some extents, imaginary dialogue can be used for multiple purposes. One is to construct a new reality and others can be used for a diversity of contexts from setting policy to relationship counseling.

It can be understood that the imaginary dialogue could provide two other examples. In Western intellectual thought, imaginary dialogue

was first associated with the Greeks, particularly Socrates and Plato. For them, the key issue was ‘reasoning through rigorous dialogue as a method for intellectual investigation intended to expose false beliefs and elicit truth’ (Tarnas 1991:34). In the 1990s, Bohm (1996:vii) wrote about the use of dialogue as a process ‘which explores an unusually wide range of human experience: our closely held values; the nature and intensity of emotions; the patterns of our thought processes; the function of memory; the import of inherited cultural myths; and the manner in which our neurophysiology structures moment-to-moment experience’. He went on to argue that ‘[i]n its deepest sense, then, imaginary dialogue is an invitation to test the viability of traditional definitions of what it means to be human, and collectively to explore the prospect of an enhanced humanity’ (Bohm 1996:vii–viii). For those interested in dialogue more broadly, the references listed here provide some of the rich veins they can explore further. A second key aspect of the broader field of imaginary dialogue is the literature on deliberative democracy. This is a theory or movement in political science, with deliberative democracy being defined as ‘an association whose affairs are governed by the public deliberation of its members’ (Cohen 1989:17) or, more broadly: Deliberative democracy is a conception of democratic politics in which citizens or their accountable representatives seek to give one another mutually acceptable reasons to justify the laws they adopt. The reasons are not merely procedural (‘because the majority favours it’) or purely substantive (‘because it is a human right’). They appeal to moral principles (such as basic liberty or equal opportunity) that citizens who are motivated to find fair terms of cooperation can reasonably accept (Gutmann and Thompson 2001:137).

### **Imaginary dialogue on a concept of Sustainability accounting**

- Environmentalism : Thus,... there are two basic thoughts on sustainability accounting.
- Accountant : Yes, the first is concerned to a model of accountability. The second is from a management perspective to sustain their businesses.
1. First, environmentally and socially induced financial impacts.
  2. Second, ecological and social impacts of a defined economic system such as the company, production site, nation, and others.
  3. Third, the interactions and linkages between social, environmental and economic issues constituting the three dimensions of sustainability.
- Accountant : Major breakthrough in the context of Sustainability Accounting si by John

Elkington(1997) in his book: “Cannibals with Forks, The Triple Bottom Line of Business Twentieth Century”. Elkington developed the concept of triple bottom line in terms of economic prosperity, environmental quality, and social justice. Through this concept Elkington argued that companies that want to continue running the business should pay attention to 3P of profit, people and planet. Companies that run their business is not justified merely pursuit of gain (profit), but they also must be involved in the fulfillment of the welfare of society (people), and actively participate in protecting the environment (planet). These three principles are mutually supportive in the implementation of SR programs.

It is argued that since this Elkington spark, it could be said that sustainability accounting increasingly fast scrolling, and even louder after the World Summit in Johannesburg on 2002, which stressed the importance of corporate social responsibility. In the Asia, the concept of sustainability accounting evolved since 1998, but at that time there has been an understanding and a good understanding of the concept of SR. Meanwhile, in Indonesia the concept of SRA is becoming a hot issue since 2001.Changes society’s views, investors, and governments in turn encourage companies to show the form of sustainability accountingis not limited to the repair activity of the composition, quality and safety of products produced, but also in engineering and production processes, as well as the use of human resources.

### **Imaginary Dialogue On Sustainability Report Of The 2012 Telekomunikasi Indonesia**

Three of them (Accountant, Environmentalist and Telkom Technologist) are setting in a circle facing a round table, with serious and each bringing PT. Telkom documents.

- Accountant : (With calmly and trying to see who will start discussing first ...) I do believe that exploring the sustainability report of PT. Telkom is not easy task. We should understand what is PT. Telkom, all about, should it be?
- Environmentalist : (Spontaneously ...) Yes, I agree what is Accountant said.
- Telkom Technologist : I understood what you thought. I would try to my best to describe the early day of PT. Telkom.

Telkom was established in 1856. It has been a pioneer in telecommunication sector since then. See the Telkom’s last 5 years historical line.

- 2010 : Telkom project on JaKaLaDeMa Sea Fiber Optic. The project is a telecommunication connecting Jawa, Kalimantan, Sulawesi, Denpasar and Mataram. The project was accomplished on April 2010.
- 2011 : Reformation on Telecommunication Infrastructure through the Project of Telkom Nusantara Super Highway which aims to unite the Nusantara from Sumatera to Papua, and True Broadband Access Project which provides internet access to customers across the Indonesia.
- 2012 : Broadband Penetration through WIFI Indonesian Development to realize Indonesia Digital Network (IDN).  
Changing business portfolio from TIME to TIMES (Telecommunications, Information, Media, Edutainment & Services) to improve business value creation.  
Establishing Telkom Corporate University to develop human resource Telkom able to compete in the international business (from competence to commerce).
- Accountant : Wow ... you have very good knowledge on the Telkom timeline history.
- Environmentalist : I did not hear any environment concern on the history. Was PT. Telkom not aware of environment protections?
- Accountant : I think that it was not appropriate to concern on any environment in the history.
- Telkom Technologist : The Telkom Timeline history concerns on the company development and it did not focus on the environment relations.
- Telkom Technologist : In particular, it explored that PT. Telkom is an information and telecommunications (Info Comm) services operator that has the most comprehensive services and the largest network in Indonesia, and is currently expanding its business portfolio to incorporate Telecommunications, Information, Media and Edutainment (TIME). It also describe that PT. Telkom is gradually improving its infrastructure, expanding Next Generation Network (NGN) technology and mobilizing the synergies within the entire Telkom Group, Telkom is empowering retail and corporate customers by delivering better quality, speed, reliability and customer service.
- Accountant : Ehm ... not bad ...
- Telkom Technologist : (With sure and loud ...) In fact. PT. Telkom's shares were owned by the Government of



Indonesia (52,47%) and the public (47,53%). Telkom's shares are listed on the Indonesia Stock Exchange ("IDX"), the New York Stock Exchange ("NYSE"), and the London Stock Exchange ("LSE"), and are offered on the Tokyo Stock Exchange without listing. PT. Telkom has continued to strengthen the foundations for the growth of company's business, following the paradigm shift in our services from 'standard' telecommunications services to a broader scope that takes in Telecommunications, Information, Media and Edutainment (TIME) services. This initiative yielded a very satisfactory business performance, with consolidated revenue growth of almost 1.4% compared to the previous year. Telecommunications services still dominate the Company's revenues, contributing about 90%, but we are now beginning to see a growing contribution from the IME (Information, Media and Edutainment) sectors, which is in line with Telkom's expectations. Telkom also proud to report the extraordinary performance of Telkom Speedy, our broadband service, which recorded revenue growth of 38% and a 44% increase in subscribers. This achievement came on the back of smart investments in infrastructure and an aggressive marketing effort.

- Accountant : (In silent, then ...) I remember PT. Telkom was 100% owned by the government. Since 1995, PT. Telkom became a public company. As a consequence, not 100% of shares belonged to the government.
- Environmentalism : (Suddenly ...) With the changing of company ownership, how was about the impact of its environment?
- Accountant : (In silent ... no answer ...)
- Telkom Technologist : (the same, in silent ... no answer ...)
- Environmentalism : Sorry, I think my question was false ... ( with smiling face ...). I thought there was any impact of the changing ownership on its ownership. I am sure it was a matter of equity.
- Accountant : You are right, Environmentalism ... From my understanding, when the owners were changed, this might change the company's policies. This meant that some might concern on the environment concern protection.

- Accountant : (Continuously .. insisting ... to say) Let us check where was the company listed its stock? (With showing to the data ...) The company was listed at BEJ, BES and NYSE. This meant that there would be any one concerned with environment protections.
- Accountant : (With asking to the two ...) any one knows who were the first group owners, outside of the Indonesia government?
- Environmentalist : (With sure ...) I believe It is very hard to know the detail of the first group of owners and also identifying their concern on environment protections of the PT. Telkom policy activities.
- Telkom Technologist : (Convincing and facing sharply to the Environmentalist). Back to my previous descriptions, what I concerned was the early timeline profile of the company. How the company it was. I did not try to inform you the detail company activities, even the company policies were. No data was carried out to the detail company policies.
- Telkom Technologist : (Again adding explanations ...) PT. Telkom collaborates with several of its peer companies, both local and international. At the national level, Telkom is a member of the Indonesian Telematics Community (MASTEL), Indonesian Satellite Association (ASSI), and the Indonesia Telecommunications Clearing Association (ASKITEL), *Corporate Forum for Community Development* (CFCD). In the international arena, Telkom is a member of the Asia Pacific Network Information Centre (APNIC), a non-profit organization that works to protect the stability and reliability of internet resources in the Asia Pacific region. Telkom is also a member of ITU-D (responsible for formulating policies and providing training programs as well as funding strategies for developing countries) and ITU-T (responsible for developing telecommunications standards).

### **Vision, Mission, Objectives, and Strategic Initiatives**

- Accountant : As far as I concern, management vision of a company is very important to drive the life of company's activities. Vision is an aspirational description of what an organization would like

- to achieve or accomplish in the mid-term or long-term future. It is intended to serves as a clear guide for choosing current and future goals of action. I believe PT. Telkom has also vision to drive its activities. What do you think Telkom Technologist?
- Telkom Technologist : Yes, sure it has ...
- Accountant : What is it then? (with curious to know ... seriously)
- Telkom Technologist : Here it is ...
- Telkom Technologist : (he is looking at some documents, it seems trying to find somethings ...) Here ... here
- Telkom Technologist : Yes, sure it has ... PT. Telkom vision is 'To be a company advanced in providing Telecommunication, Information, Media, Edutainment, and Service in the regional area'
- Accountant : It seems to me the vision is very concise and easy to understand it. In fact, when we say it a short its vision is 'to be a company advanced in providing TIMES in the regional area'. This could be Asean or Asia.
- Telkom Technologist : (insisted to continue ...) Telkom Vision is supported by also very concise of missions. Telkom missions are (1) to provide high quality TIMES services with competitive prices, (2) to become the best corporate governance model in Indonesia.
- Accountant : (trying to explain ... ) We have to distinguish between Vision and Mission. Vision is a written declaration of an organization's core purpose and focus that normally remains unchanged over time. Properly crafted vision statement (1) serve as filters to separate what is important from what is not, (2) clearly state which markets will be served and how, and (3) communicate a sense of intended direction to the entire organization. Here Telkom has done it with clear and concise. Where as a mission, it is different from a vision where a mission is something to be pursued for that accomplishment.
- Telkom has declared its missions to provide high quality TIMES serves and to become the best corporate governance in Indonesia. Some say, it is important to state the year when it will be achieved. It means a time is set to be.

- Environmentalism : (insisting ...) I do not think that the vision and missions of Telkom are considering environment awareness.
- Accountant : Why?
- Environmentalism : Well, we do not find any statement incorporating environment or any concern of earth protection, does not it?
- Accountant : Yes it sure, there is no word of environment ...
- Environmentalism : If Telkom is serious to contribute to sustain its environment, I think it is not difficult to add or insert its commitment in it. It depends on the management willingness. If they have a serious policy to it, then it must be explicitly stated in their vision and missions. As it is stated by Blair and Hitckcock (2001), Environmental sustainability and conservation are key concerns for an organization that is dedicated to science and technology leadership. Science World works hard to educate the members of our community and promote personal and collective environmental responsibility among staff and volunteers. This means that Telkom should be in the first place to educate people in environmental responsibility
- Telkom Technologist : It is very good to discuss with you about environmental concern, but let us listen the continuation of the Telkom objectives adding its vision and missions.
- Telkom Technologist : Here is the Telkom objective, creating a superior position to streng then the Telkom legacy business and in creasing new wave business to acquire 60% of industry revenue in 2015. To realize this purpose, the following strategi cinitiatives organized:
1. Optimizing net work wire line/ fixed wire line (FWL).
  2. Streng the ning and developing business networks fixed wireless/ fixed wireless access (FWA) and managing wireless portfolio.
  3. Investing in broadband networks (broadband).
  4. Integrating enter prise solutions and investing in business wholesale.
  5. Integrating Next Generation Network (NGN).

6. Developing information technology services.
7. Developing media and edutainment business.
8. Stream lining port folio subsidiary.
9. Aligning business structure and portfolio management.
10. Transforming corporate culture.

Telkom Technologist : I inform you that the objective has been disseminated very well so far. Basically, the objective is to strengthen the very competitive company in technology services. From 10 strategic initiatives, 7 of them are dealing technology concerns. The rest is for financial portfolio and human resource development. This means that Telkom focuses on strategic technology services.

Honestly to say, Indonesian technology is on the shoulder of Telkom. Telkom is asked to provide high technology services to Indonesians with very competitive in pricing.

Accountant : In fact, PT. Telkom earned net profit in 2012 of more than 18 Trillion IDR. It was increased more than 3 Trillion IDR from 2011.

I have a copy of the part of the Telkom financial statement.

**PERUSAHAAN PERSEROAN (PERSERO)**  
**PT TELEKOMUNIKASI INDONESIA Tbk DAN ENTITAS ANAK**  
**LAPORAN LABA RUGI KOMPREHENSIF KONSOLIDASIAN**  
**TAHUN YANG BERAKHIR PADA TANGGAL 31 DESEMBER 2012**  
**DENGAN ANGKA PERBANDINGAN UNTUK TAHUN 2011**  
 (Angka dalam tabel dinyatakan dalam miliaran Rupiah, kecuali dinyatakan lain)

	Catatan	2012	2011
<b>PENDAPATAN</b>	2c,2r,26,37	77.143	71.253
<b>LABA USAHA</b>		<b>25.698</b>	<b>21.958</b>
Penghasilan pendanaan	2c,37	598	548
Biaya pendanaan	2c,2r,37	(2.055)	(1.637)
Bagian rugi bersih entitas asosiasi	2f,9	(11)	(10)
<b>LABA SEBELUM PAJAK PENGHASILAN</b>		<b>24.228</b>	<b>20.857</b>

Accountant : Please look at my document. The Telkom revenue from 2011 to 2012 has increased very significantly. The profit is increased too.

Environmentalist : Ehm ... huge profit, isn't it? How is about Telkom environment protection contribution? Any one knows?

- Accountant : I think we could trace them, but we could discuss it later on.
- Telkom Technologist : Yes, I agree Accountant. We are now focusing on the company objective and strategies. There is also important aspect of Telkom which has to be informed to people.

### **Strategy of Corporate Social Responsibility**

- Telkom Technologist : Telkom's CSR strategy and policy is integrated in a single Decree of the Board of Directors Number 41/PR000/SDM-20/2006. This decree is the foundation of the management of Telkom's CSR, ensuring that CSR implementation is in line with the corporate vision and mission, complies with the legislative provisions especially "UU No. 40 Tahun 2007 tentang Perseroan Terbatas pasal 74 Tanggung Jawab Sosial dan Lingkungan", and consistent with the prevailing norms of society.
- Telkom Technologist : The long-term strategy and management policy for Telkom's CSR is stipulated in the Corporate Strategic Scenario (CSS) and articulated in the form of an annual plan in the Work Plan and Budget (Rancangan Kerja dan Anggaran-RKA). It is then further elucidated in the Management Contracts of each corporate office, business unit, subsidiary and affiliated company. Telkom has classified programme of Telkom's CSR in 7 (seven) pillars as follows:
- a. Education, activities aimed at improving the quality of education as well as skills, knowledge and attitude for stakeholders (the public and the Telkom Group family).
  - b. Health, activities intended to raise the quality of health of stakeholders (the public and the Telkom Group family).
  - c. Culture of Civility, activities intended to enhance and nurture culture, the arts, sports, spiritual activities and other community activities in respect of supporting the Company's implementation of Good Corporate Citizenship.
  - d. Partnership, strengthening partnerships with third parties that may or may not be related to the core business of Telkom, which will provide benefits for all parties.

- e. Public Service Obligation, improving services to the public in the realm of telecommunication facilities and infrastructure.
- f. Environment, enhancing the quality of both Telkom’s internal and external environment in order to create a harmonious relationship between the Company and its surroundings.
- g. Disaster and Rescue, providing assistance and relief to those affected by humanitarian and natural disasters.

**Table 1. Support Telkom’s CSR**

<b>Triple Bottom Line</b>	<b>Support Telkom’s CSR</b>
<b>Economy</b>	<ul style="list-style-type: none"> <li>a. Adding value for stakeholders (customers, suppliers, shareholders, the government, employees) and supporting the economic growth of small enterprises, by:                             <ul style="list-style-type: none"> <li>- improving the quality of life of employees</li> <li>- fostering the loyalty and trust of customers, suppliers and investors</li> <li>- ensuring compliance with the prevailing rules</li> <li>- providing working capital and investment loans as well as information to small businesses.</li> </ul> </li> <li>b. Playing an active role in providing telecommunications facilities and infrastructure for the public, particularly in underdeveloped areas, by providing facilities and infrastructure to facilitate access to information</li> </ul>

<b>Social</b>	<ul style="list-style-type: none"> <li>a. Supporting the improvement of public education by providing facilities and knowledge in relation to Info Comm technology education.</li> <li>b. Supporting improvements in the health of society by providing health facilities, infrastructure and information to the people.</li> <li>c. Supporting the preservation of national culture and civilization by providing facilities for cultural events and building/reinforcing character.</li> </ul>
<b>Environment</b>	<ul style="list-style-type: none"> <li>a. Playing an active role in preserving the environment by providing assistance for re-greening and the creation of green spaces.</li> <li>b. Playing an active role in relief for humanitarian and natural disasters by providing assistance for the victims of such disasters.</li> </ul>

**Management of Corporate Social Responsibility**

Telkom Technologist : Telkom’s CSR strategy and policy is integrated in a single decree of the Board of Directors. This decree is the foundation of the management of Telkom’s CSR, ensuring that CSR implementation is in line with the corporate vision and mission, complies with the legislative provisions and is consistent with the prevailing norms of society. The long-term strategy and management policy for Telkom’s CSR is stipulated in the Corporate Strategic Scenario (CSS).

Telkom Technologist : The provision of financial resources, good planning, and monitoring and evaluation of implementation are all stages in ensuring the successful implementation of CSR. The implementation of Telkom’s CSR encompasses the following:

- a. Creating a more intelligent society through Info Comm technology education.
- b. Improving the quality of life of the people.
- c. Maintaining an environmental balance.
- d. In accordance with the Board of Directors decree No. 41/PR000/SDM-20/2006 that



Telkom is not affiliated in any particular groups or political party.

e. Maintaining corporate reputation.

Telkom Technologist : Telkom's CSR performance is essentially reflected in the performance of the Company as a whole, including profits earned, customer satisfaction and employee satisfaction. Telkom periodically publishes its Sustainability Report, which is used both as a platform and as a communication channel to involve stakeholders on relevant issues.

Telkom Technologist : Telkom's CSR has some objectives on Telkom's CSR Roadmap. Here is the Telkom's CSR Roadmap 2009-2011:

2009 : - Review policy.

- Improve & integrate CSR Performance with business performance.

2010 : - Be a pioneer.

- Aim to score at least B+ in the SR Audit by an External Auditor.
- Play an active role in international CSR events.

2011 : - Be the best corporate in CSR implementation.

- Aim to score at least A+ in the SR Audit by an External Auditor.
- Play an active role in international CSR events

2015 : - Be the best company in CSR implementation.

- Be a role model as the best company in CSR implementation in the national arena.
- Play an active role in international CSR events.

2020 : - Be the best company in CSR implementation.

- Be a role model as the best company in CSR implementation in the international arena.

Play an active role in international CSR events.

**Stakeholders Engagement for Implementation Telkom's CSR**  
**Stakeholder Engagement**

<b>Stakeholder Type</b>	<b>Method of Engagement</b>	<b>Stakeholder Expectation</b>
<b>Customers</b>	<ul style="list-style-type: none"> <li>- Customer Satisfaction Index (CSI) survey</li> <li>- Customer complaint management (147) survey</li> <li>- Customer service center (Plasa Telkom) survey</li> <li>- Customer Loyalty Index (CLI) survey</li> </ul>	<ol style="list-style-type: none"> <li>1. To provide services beyond customers' expectation and improve customer value.</li> <li>2. Confidentiality of data.</li> <li>3. Safe internet.</li> </ol>
<b>Shareholders and Investors</b>	<ul style="list-style-type: none"> <li>- Annual General Meeting Shareholders (AGMS)</li> <li>- Investor road shows and reverse road shows</li> </ul>	<ol style="list-style-type: none"> <li>1. To maintain and improve business value according to shareholders' expectation.</li> <li>2. To respect shareholders' rights in accordance with the Laws, capital market decisions and other prevailing rules.</li> </ol>
<b>Employees</b>	<ul style="list-style-type: none"> <li>- Through SEKAR</li> <li>- Employees Satisfaction Index</li> </ul>	<ol style="list-style-type: none"> <li>1. Balanced.</li> <li>2. Avoiding discrimination practices.</li> <li>3. Security, health and safety are guaranteed.</li> </ol>
<b>Government Authorities and Regulators</b>	<ul style="list-style-type: none"> <li>- Regular communication and reporting</li> <li>- Hearings with DPR</li> </ul>	<ol style="list-style-type: none"> <li>1. Maintaining a harmonious and constructive relationship based on honesty with regulators.</li> <li>2. Telkom and its employees comply with the laws, regulations and other prevailing business rules.</li> <li>3. Periodicaly Telkom reporting to government as regulator.</li> <li>4. Telkom attend DPR's hearing.</li> </ol>
<b>Partnership (vendors, suppliers, agents, resellers, installers)</b>	<ul style="list-style-type: none"> <li>- Training for value chain partners</li> <li>- Contract bidding and procurement</li> <li>- Management</li> <li>- Supplier assessment and management</li> </ul>	<ol style="list-style-type: none"> <li>1. Fair procurement procedure.</li> <li>2. Objective selection and evaluation in choosing a business partner.</li> <li>3. Mutually beneficial growth.</li> </ol>

<b>Industry Peers (Other Licence Operator)</b>	<ul style="list-style-type: none"> <li>- Meetings</li> <li>- Industry discussion forums</li> <li>- Rekonsiliasi Inter-koneksi</li> </ul>	<ol style="list-style-type: none"> <li>1. Creating a healthy business competition.</li> <li>2. Promote sustained industry development.</li> </ol>
<b>The Public Stakeholder</b>	<ul style="list-style-type: none"> <li>- Community engagement</li> </ul>	<ol style="list-style-type: none"> <li>1. A compatible and harmonious</li> </ol>
	<ul style="list-style-type: none"> <li>- Philanthropic activities</li> </ul>	<ol style="list-style-type: none"> <li>relationship that is also beneficial to the people around operational areas.</li> <li>2. Minimizing the company's operational impact on the environment.</li> <li>3. Participating in preserving the environment.</li> </ol>

### Conclusions and Suggestions

Telkom Technologist : I do agree with your statements. As we discussed, PT Telekomunikasi Indonesia (Telkom) has made a sustainability report based on GRI (Global Report Initiative) and TSS (Telecommunication Sector Supplement). Of the all indicators of the GRI performance, overall Telkom has been very good in the reporting of social responsibility accounting. Telkom describe the indicators to fully adjust to the GRI standards.

Telkom Technologist : As I explored, Strategy and Analysis at Telkom sustainability report include the expansion of telecommunications benefits to the community. In the face of competition, Telkom is committed to continue to innovate on its products. In addition, Telkom also improve the performance of the economic, social, and environmental sustainability as a strategy for the company. Telkom continues to take the opportunity to be pioneers of the best telecommunications companies. Indicators and analysis strategies can be found in the statements of the Telkom CEO and strategic initiatives.

Telkom Technologist : I do agree with your statements. As we discussed, PT Telekomunikasi Indonesia (Telkom) has made a sustainability report based on GRI (Global Report Initiative) and TSS (Telecommunication Sector Supplement). Of the all indicators of the GRI performance,

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- Telkom Technologist : I do agree with your statements. As we discussed, PT Telekomunikasi Indonesia (Telkom) has made a sustainability report based on GRI (Global Report Initiative) and TSS (Telecommunication Sector Supplement). Of the all indicators of the GRI performance, overall Telkom has been very good in the reporting of social responsibility accounting. Telkom describe the indicators to fully adjust to the GRI standards.
- Telkom Technologist : Organization Profile of Telkom has described in detail in the sustainability report, which includes the name of the organization, principal products and services, the location of the organization, organizational structure, the number of countries where it operates, the nature of ownership, type of markets served, the scale of the organization, significant changes in the organization, and awards are received. Detailed company profile is useful to know the company's position in the business world. Telkom's profile shows its main role as providers of services telecommunication.
- Telkom Technologist : Report parameter has functions to be useful to know the date of reporting, the reporting period, contact address, the process to determine the content of reporting, data measurement techniques and calculation, reporting limits, and others. Telkom has been explained in full on the report parameter indicators. Report parameters can be used as a comparison to the previous report period.

- Telkom Technologist : Telkom's corporate governance include the practices for improving the quality of Good Corporate Governance (GCG), to supervise, led by the Board of Commissioners, and upholds the decision of the Annual General Meeting Shareholders (AGMS). Telkom's commitment includes the use of the COSO Enterprise Risk Management as the precautionary principle; join the national and international organizations, as well as implementation of initiatives in the implementation of economic, social, and environmental. Stakeholders engagement include making agenda about stakeholders engagement policy, and implementation of stakeholders convening.
- Telkom Technologist : Economic Performance of Telkom includes increase economy community in the local with PKBL (Partnership and Community Development Program). This activity strengthens partnership with third parties in both the field and other related products and non-related to Telkom's core business and aims to provide benefits to all parties. Telkom is also preparing its employees to be able to face the challenges of the economy. In addition, the indicator of economic performance also includes capital expenditures in accordance with company policies and government regulations.
- Telkom Technologist : Environmental dimension soft sustain ability that affect the organization 'simpacton natural systems of life and not life, includingeco systems, land, water and air. Telkomen viron mental performan ceincludes reduction of negative impactson the environment (reducing environ mental impact) and to the businesses that are environ mentally friendly (toward a green businessen vironment). Telkom 'seffortsto protect the environment, among others, by reducing energy consumption, waste management is responsible, suppress the amount of waste, reducing water consumption, tree planting, application of theconcept ofthe paperless office,do notuse hazard ousc hemicals, and the use of solar powerf or BT Stowers.

- Telkom Technologist : Telkom employment practice is well. Telkom never discriminated against employees in salary, benefits, educational opportunities, and opportunities for work. Telkom has training their employees to improve the quality of education, include skill, knowledge and attitude. Telkom also noticed the health of employees and their families by providing medical assistance. Telkom through SEKAR (Trade Unions) give the employee freedom of opinion and give the employee an opportunity to be together in making policy.
- Telkom Technologist : Performance of Human Rights determined that the organization must report the extent of human rights into account in the selection of investments and practices of supplier or contractor. Telkom never discriminate the against human rights. Telkom implemented vendor evaluation system (screening) to potential suppliers. Telkom employees get the training and education with aspects of human rights on a regular basis. Telkom receive employees who at least 18 years old to avoid the practice of underage labor. Telkom apply the maximum number of overtime hours to 60 hours per month to avoid the practice of forced labor. In addition, Telkom employees have free association and opinion.
- Telkom Technologist : Society performance concerned with the impact of organization of the society in which they operate, and explain the risks of interactions with other social institutions they manage. In its sustainability report, Telkom explained that until now have never committed bribery, corruption, monopoly practices and collusion. Telkom states prohibit employees to participate in the election campaign or be implementing the election campaign to reduce the risk of disputes between employees. Telkom is very concerned about the circumstances surrounding communities. Telkom provides training, education, health, cultural preservation, improving public facilities, as well as humanitarian assistance and natural disasters.

- Telkom Technologist : Product Responsibility Performance Indicators discuss aspects of the product from the reporting organization and the services rendered and that affects the customer, especially, health and safety, information and labeling, marketing, and privacy. Telkom concerned the customer's health and safety with providing quality products and excellent service. Telkom ensure the safety labeling on their products and services, to date Telkom has never received a lawsuit from customers. Telkom also has never violated aspects of marketing communications. Telkom guarantees the confidentiality of customer data with STARPRO program.
- Telkom Technologist : Besides core indicators report, Telkom as a company engaged in telecommunications technology are also required to report specific indicators of the telecommunications sector. In the aspect of internal operations, Telkom increased capital expenditure budget in accordance with market growth. In addition, Telkom has always paid the cost of telecommunications services to the Minister of Communications and Information (Menkominfo). Telkom K3 practice focuses on zero accident and uses low radiation effects of the product. In the aspect of providing access, satellite operates TELKOM Telkom-1 and TELKOM-2 with 190 earth stations, including a satellite control station master. To delete the information gap between regions in Indonesia, Telkom has also established a training center building program called Broadband Internet Learning Center ("BLC") on the outer islands of Indonesia. In the aspect of technological applications, Telkom took the initiative to reduce energy consumption. In addition, Telkom also has concerns regarding the use of water and seek to ensure that waste management be done in a responsible manner, one example is the concept of the paperless office.

### **Practical Implications**

Telkom Technologist : This dialogue can be used as a trigger for various companies to pay more attention to cause and effect arising from operational activities. In addition, research is expected to trigger more companies to start implementing sustainability reporting in its annual reporting.

### **Research Limitation**

Telkom Technologist : This imaginary dialogue has some limitations that we cannot deny it.

Accountant : The first limitation is this imaginary dialogue only focus on providing an overview about the suitability of the sustainability reports of PT Telekomunikasi Indonesia in 2010 against GRI (Global Reporting Initiative) Indicators and TSS (*Telecommunication Sector Supplement*)

Environmentalism : The second limitation is this imaginary dialogue is not completed with calculations intended to reveal the background of the costs incurred by PT Telekomunikasi Indonesia accounting for corporate social accountability.

Telkom Technologist : The third limitation is this imaginary dialogue does not examine the effect of social responsibility accounting disclosure on market performance and firm characteristics, for example the reaction of investors, the sale of shares, firm size, profitability, and others.

### **Suggestions**

#### **Suggestions for Companies**

Accountant : Performance indicators contained in the GRI standard is a very effective tool to reveal the company's social responsibility accounting. With reference to the GRI, the sustainability report can be easily understood on its CSR performance. Sustainability report based on GRI provides qualitative and quantitative information that can measure how consistently the company in carrying out its social responsibility



**Suggestions for Future Dialogue**

- Accountant : Currently, research on sustainability reporting is becoming a popular issue. For future studies, researchers are expected to fill the gaps which have been resolved in this study. In addition, researchers can develop this research by comparing the sustainability reporting between two or more companies.
- Accountant : Imagining this dialogue is true ...

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