

CHAPTER 1

INTRODUCTION

1.1 Background of the Report

Communication can be done in many ways. One of them is by translating. It is an important way in communication and is used by almost everyone in the world. It is generally utilized in the field of education and is usually related to documents and books. Moreover, translation is applied in wider fields. In terms of non-documents, translation is used in tour-guiding, social media translation, literature, and even video games. For documents, it is usually utilized for formal documents, such as legal documents, researches, journals, and business documents. In business sector, translation is usually used for business plans, business report, minutes of meeting, financial agreements, etc. Those documents are usually made by a company and contain some topics related to marketing, sales, and other matters related to business and finance.

One of the business documents a company is obligated to make is business report. This report is usually made annually, so it is called as annual report. Annual report is a report which contains a company's financial and operational information (Bhansali & Jain, 2014). Also, as stated by Pivac et al. (2017), annual report commonly contains messages from the Board Commissioners and Directors or chairmans, auditor's report, and company's new plans for the future. However, several countries have different standards in preparing the materials of the annual report. Similar with what Bhansali and Jain mentioned before, Garrod and Turk (1995) stated that the annual report in Slovenia must provide both accounting and

more general information related to business. In Croatia, Mušura in Pivac et al (2017) stated that it was important to provide the company's management structure, auditors 'and shareholders' rights, and the corporate management. While annual reports in various parts of the world provide financial data and information, something different is found in the annual reports in Spain and Portugal. Companies there do not provide financial information with data, meanwhile they are more likely to explain the information in narrative form. Not to forget, the US and UK also have differences in preparing the annual report. Based on El-Haj et al. (2019), firms in UK do not use any standard or template in creating an annual report and they publicize it in PDF format. Meanwhile in the US, they have a standard format or template to create the report and they commonly publicize it in HTML format.

Even though it contains a lot of aspects, the annual report is usually dominated by financial data and reports. El-Haj et al. (2019) added that regarding the content of annual reports, they typically contained Financial Highlights, messages to the shareholders, some narrative text, pictures, and graphics, Management's Discussion and Analysis, Financial Statements along with the notes, report from the auditors, the summary of Financial Data, and the company information. Most of the contents mentioned are related to and dominated by financial data. This domination causes many people to consider that annual reports and financial statements are the same. In fact, they are two different things. Annual reports do contain financial statements, yet it is also equipped with further information, while financial statements only present data in the form of charts,

tables or diagrams with a brief explanation for each data. A quite striking difference can also be seen from the design. Annual reports are attractively designed and colorful, meanwhile ordinary financial statements are made simple without any attractive design.

All companies in Indonesia, both state-owned and private companies are required to make annual report. They are obligated to submit the report to the Financial Services Authority, or *Otoritas Jasa Keuangan (OJK)* at the latest by the end of the fourth month after the end of financial year, based on the *Regulation of Financial Services Authority Number 29/POJK.04/2016*, concerning the *Annual Report of Issuer or Public Company*. Beside that, in writing the report, companies are also obligated to write it both in Indonesian and English. There must be at least two languages provided in the report, and English is one of the languages that must be used. This is based on the obligation of OJK that every company has to translate its annual report into English as most companies in Indonesia are carrying out international trade where the use of English is very important there. Therefore, one of the ways companies can communicate with international partners or investors is by translating annual report into English.

One of state-owned companies in Indonesia, named PT Perkebunan Nusantara IX, has undergone the obligation by translating and submitting most of its annual reports. PT Perkebunan Nusantara IX, or commonly abbreviated as PTPN IX is a company under the State-owned Enterprises (SOEs) engaged in agribusiness, agro-industry and agro-tourism. It has several commodities,

including rubber, tea, coffee, sugar cane, wood, horticulture, and upstream products. In tourism, PTPN IX has restaurants, cafes, hotels and resorts, and tourist attractions such as tea gardens, educational tours and recreation with playground / outbound arena. Currently, PTPN IX is currently carrying out a corporate culture of SOEs, which is called AKHLAK. It stands for *Amanah* (Trustworthy), *Kompeten* (Competent), *Harmonis* (Harmonious), *Loyal*, *Adaptif* (Adaptive), and *Kolaboratif* (Collaborative). PTPN IX always tries to implement these six elements in order to meet the company's goals and target, in which both progress and achievement will be documented in the annual report.

The writer opted to do an internship at PTPN IX, where she was tasked to translate the 2019 Annual Report of the company. The writer chose this company because PTPN IX is a company engaged in the business sector, so it fits the writer's background that comes from English Diploma Program which focuses on the issue of English in business sectors. In this case, the writer wanted to discover translation strategies as stated by Baker (1992) and translation methods stated by Newmark (1998) that are used in her personal practice of translating annual report. The writer came to the decision because translation was one of the subjects that the writer liked, and she wanted to deepen her understanding in the translation process as she plan to work as a professional translator once she graduates from this major.

1.2 Statement of the Problems

There are two problems in the report as follow:

1.2.1 What strategies were used in translating 2019 Annual Report in PT Perkebunan Nusantara IX?

1.2.2 What methods were used in translating 2019 Annual Report in PT Perkebunan Nusantara IX?

1.3 Limitation of the Report

The limitations of the reports are in the following:

1.3.1 Sample size/sample bias. The writer only used half of the annual report contents for the sample. The annual report had eight chapters, but the writer only translated four of them. It was because the rest of the chapters of the annual report already had the same contents and translations as the previous annual reports.

1.3.2 Review literature. The writer only used one theory for answering each statements of problem in translating the annual report. In identifying the translation strategies the writer only used Baker's theories. Meanwhile, in identifying the translation methods the writer only used Newmark's.

1.3.3 Lack of sensivity. The writer was not comprehend enough to translate some of the texts because she was a newbie translator in the field, so it caused some of the translation results still had mistakes.

1.4 Objectives of the Report

The objectives of the report are in the following:

1.4.1 To discover what strategies were used in translating 2019 Annual Report from Indonesian to English in PT Perkebunan Nusantara IX.

1.4.2 To discover what methods were used in translating 2019 Annual Report from Indonesian to English in PT Perkebunan Nusantara IX.

1.5 Significance of the Report

1.5.1 For the writer:

1.5.1.1 To discover the translation strategies which were used to translate 2019 Annual Report from Indonesian into English in PT Perkebunan Nusantara IX.

1.5.1.2 To discover the translation methods which were used to translate 2019 Annual Report from Indonesian into English in PT Perkebunan Nusantara IX.

1.5.1.3 To develop the writer's experience in dealing with translation problems in translating 2019 Annual Report of PT Perkebunan Nusantara IX.

1.5.1.4 To apply the courses obtained during lectures at university.

1.5.1.5 To acquire graduation requirements for a degree of English diploma.

1.5.2 For the alma mater

1.5.2.1 To improve the quality and knowledge of Universitas Airlangga students.

1.5.2.2 To explore and apply the ability from Universitas Airlangga students in translation fields.

1.5.2.3 To establish cooperation relationships between Universitas Airlangga and PT Perkebunan Nusantara IX.

1.5.3 For the company:

1.5.3.1 To help the translation of 2019 Annual Report in PT Perkebunan Nusantara IX.

1.5.3.2 To ease the translating Annual Report activity in PT Perkebunan Nusantara IX.

1.5.3.3 To establish the cooperation relationship between PT Perkebunan Nusantara IX with Universitas Airlangga

1.5.4 For other interns:

1.5.4.1 To provide insights on particular translation practices, in this case annual report translation.

1.5.4.2 To create a reference material for other interns to write their own final report.

1.5.4.3 To share the writer's experience during her internship.