

Research Article

The Practices of Corporate Social Responsibility among Construction Companies in Malaysia

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Abstract: The main objectives of this research are to assess the current level of CSR implementation, to investigate the barrier in implementing CSR and finally to examine the practicable strategies in reducing those barriers among construction companies in Malaysia. Implementation of the Corporate Social Responsibility (CSR) among construction companies in Malaysia is necessary due to the growing environmental awareness and demand for better social equality among population and community. Despite numerous promotions and encouragements given, the implementation of CSR among Malaysia construction companies remains low. Guideline of social responsibility presented in ISO 26000 (Guidance on social responsibility) served as the main reference point to gauge the CSR implementation level among organizations. Thirty questionnaires were set using five point Likert scale method, which sent to selected construction companies in Malaysia. Furthermore, collected data were analysed using average index formula. From the findings obtained, 66.7% of the companies claimed that they implemented CSR principles and related core elements. In addition, no support from the top management would be regarded as the critical obstacle to implementing CSR. Reduction in cost constrains such as tax incentive, separate CSR budget and appropriate CSR activities would be contemplated as the fruitful strategies to reduce the CSR implementation barriers.

Keywords: Barriers, community, construction companies, corporate social responsibility, strategies

INTRODUCTION

Corporate Social Responsibility (CSR) in Malaysia has shown a staggering increase in the awareness of members of different organizations, since relatively a large number of CSR issues have been highlighted in the press (Chan *et al.*, 2008). CSR is now no longer an option but a necessity in every corporate organization (The CSR Digest, 2008). Previous studies have indicated that the construction industry has strongly been affected by the community and the environment. Without proper implementation of CSR, the construction company could face massive increases in spending, which stems from an accident into the workplaces and catastrophic phenomena such as landslide resulting from the improper design (paying compensation, delays cost, court case and etc.). According to Moodley and Preece (2009), the construction industry is inextricably linked to the communities where construction industry has changed physical landscape and living products that last for a long time within the community. Furthermore, there are growing concerns over the protection of the environment affected by the developments. Long term

commitment to paramount responsibilities such as employees, customers and preserving the environment within the community has benefited the company itself due to promoting its branding, increasing profit and increasing their level of competitiveness (Zawdie and Murray, 2009).

The Malaysia government's effort in promoting CSR practices within the Government Linked Companies (GLCs) was obviously lies in the Transformation Plan, the 9th Malaysia plan, and the national budgets (Jangu *et al.*, 2007). The government has also incorporated CSR as an integral part in achieving both Malaysia's vision 2020 and the strategic objectives of the National Integrity Plan (Hamid and Atan, 2011). Multiple encouragements on CSR such as Prime Minister Awards, ACCA Malaysia Sustainability Reporting Award (ACCA MaSRA), Ansted Social responsibility International Award (ASRIA), Starbiz-ICR Malaysia Awards, and Social Reporting Awards have properly been promoted, but unfortunately involvement of construction companies is still low (CSR WeltWeit, 2012).

According to Bursa Malaysia's findings on their 200 Public Listed Companies' survey (PLCs) regarding

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the CSR implementation, only 32.5% of them adopted CSR. This indicates that CSR implementation among Malaysia companies is far behind international best practices, and there is an urgent need to increase the levels of CSR disclosure and practices (Bursa Malaysia, 2007). Bursa Malaysia's surveys also denote that a quarter of the respondents' data were ambiguous as they did not register about how the business affects the environment. This was due to lack of awareness among companies regarding how their activities affect the environment, and what measures were available to reduce the burden (Zain and Janggu, 2006). Crafting, the planting and the industrial sectors were slightly better than average, while the construction sector was ranked the last place in the scale (Vaaland *et al.*, 2008). Again, implementation of CSR focused on preserving the environment has been overlooked by the construction companies in Malaysia.

Development of CSR in most developed countries can be shown by the multiple scholarly studies in CSR areas, especially in Europe and USA (Gill, 2007; Chih Hung, 2011; Murray and Dianty, 2009). Additionally, the growth of interest in CSR has been reflected by a considerable surge in new research units dedicated to CSR at many universities in Europe (Crane *et al.*, 2008). Meanwhile, scholarly study of CSR in Malaysia is apparently still new and the numbers of studies have been quite low (Ahmad and Rahim, 2005).

The aim of the study is to examine the state of CSR implementation among construction companies in Malaysia and the objective of this study are to assess the awareness and the extent of CSR implementation; and to examine the strategies in reducing CSR implementation barriers among construction companies in Malaysia.

LITERATURE REVIEW

Corporate Social responsibility is defined as a company commitment to operating in an economically, socially, and environmentally sustainable manner along with balancing the interests of diverse stakeholders (Bursa Malaysia, 2007). One of the early pioneers of Corporate Social Responsibility namely Bowen in 1953 defined social responsibility as a businessman who has an obligation that must make decision based on policies through which the society would reap the benefit. In addition, Frederick (2008) denoted social responsibility as a public posture towards society's economic and human resources and willingness for the society to use the resources. He also emphasized that the resources would not simply be used only for individual interest and private firms.

Social responsibility is "responsibility of an organization for the impacts of its decisions and activities which may have on society and the environment through transparent and ethical behavior

contributing to sustainable development including health and the welfare of society. Moreover, it takes into account the expectation of stakeholders in compliance with applicable law and consistent with international norms of behavior as integrated throughout the organization and practices in its relationship" (ISO 26000, 2010).

Awareness of CSR in previous years was only understood as philanthropic activities such as making a donation to the community. Based on the literature review, full understanding of CSR was normally being implemented by multi-national company (Salim, 2011). Recently, multiple promotions provided by the government and establishing guidelines have increased the implementation of CSR among various industrial sectors in Malaysia. In addition, increasing advertisement of corporate social responsibility in electronic media, magazines, books, published websites, newspapers have also promoted CSR awareness in Malaysia.

A CSR guideline has been developed as an international standard ISO 26000 that can assist most companies, either small or large to implement CSR. ISO 26000 (2010) stated that there are seven principles of social responsibility and fourteen core subjects that have to be performed in order to realize proper CSR, and if not, then CSR could be considered as incomplete.

Poorly implementation of CSR among construction companies in Malaysia may indicate some barriers (Santos, 2011) such as lack of awareness, knowledge, human resources, employee motivation, no support of top management, time, funds, unavailability of technology, too much duplication and over emphasis on inspection and cheating to fully achieve CSR. In the current research, some strategies based on the past studies were put into a questionnaire to gauge local respondents' agreement on the suitability of those strategies (Unescap, 2010; Laudal, 2011; Bhattacharya *et al.*, 2008; European Commission, 2011; Mburugu, 2012).

Implementation of CSR would give benefits to both groups; the construction company itself, and the community and the environment (Siwar and Md Harizan, 2008). According to Amiruddin Abdul Aziz (Managing Director of Time Engineering Berhad, 2008), when the company helps to improve the conditions of the community in which it operates, the community becomes more prosperous, and this ensures the company's survival (CSR Digest, 2008). By implementing CSR to help the community somehow, the community will help the company back (The CSR Digest, 2012). Moreover, the community is the customer of the company.

The benefits of CSR implementation in relation to safety and health workplace and environment during the planning stage will definitely reduce the cost of

paying legal court case, compensation, and cost of delays resulting from accidents (fatal or non-fatal).

Therefore, good implementations of CSR among Malaysia's construction as a whole somehow increases Malaysia economy and community lifestyle by reducing poverty, and preserving the environment. As to the construction company itself, the benefits include increase branding and reputation at par with international construction companies. Consequently, this research not only helps to promote CSR awareness, but also aims to be as the guideline for future development of CSR implementation, and determines the current status of CSR among construction companies in Malaysia (The CSR Digest, 2010).

Although myriad promotions and encouragements have been given to construction companies in Malaysia germane to the implementation of CSR, its adoption has still remained low. As such, the major goals of this research are to assess the extent of CSR implementation and investigate the barriers in its implementation. Furthermore, different strategies to diminish the

barriers are examined. The scope of data collection for this paper comprises the construction companies range from Grade G1 to G7 registered under the Construction Industry Development Board (CIDB) located in Kuala Lumpur, Selangor, Johor, Negeri Sembilan, Kedah, Terengganu and Sarawak. Respondents were chosen from construction management staffs such as project managers, site managers, site supervisors, administration staffs, architects and quantity.

METHODOLOGY

The Methodology used for the current research includes five stages as can be seen from Fig. 1. The different steps of the framework used have been expounded as follows:

- In the first stage, problem statements were identified by looking at latest global demands and trends including scrutinizing the past research conducted. Based on the problem statement, the

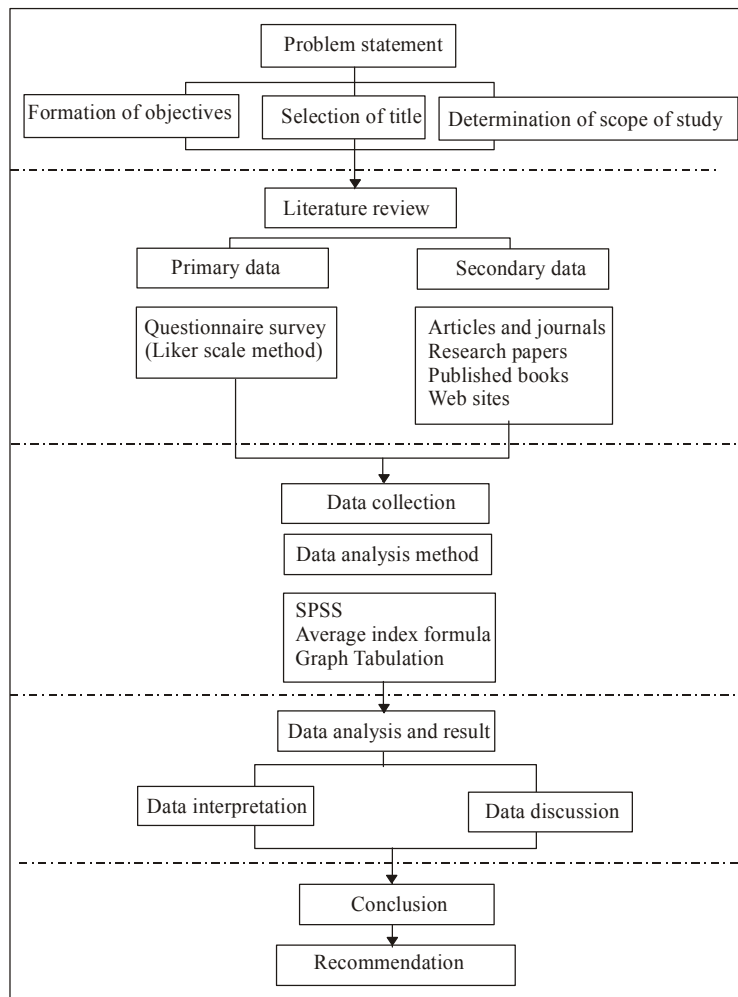


Fig. 1: Methodology of study flow chart

Table 1: Rating scale (Majid and McCaffer, 1997)

Likert scale	Range classification
1 = Not implemented/ Strongly disagree	$1.00 \leq \text{Average Index} < 1.50$
2 = Slightly implemented/ Disagree	$1.50 \leq \text{Average Index} < 2.50$
3 = Moderately implemented/ Moderately or slightly agree	$2.50 \leq \text{Average Index} < 3.50$
4 = Implemented/ Agree	$3.50 \leq \text{Average Index} < 4.50$
5 = Strongly implemented/ Strongly agree	$4.50 \leq \text{Average Index} \leq 5.00$

major goals and scope of the paper were determined.

- The second stage was the conduction of detailed data and information collection. Primary data employed questionnaire instrument using the Likert scale method for 5 ordinal options from strongly disagree, disagree, moderately agree, agree to strongly agree. To achieve the aforementioned aims of this research, the questionnaire was divided into four parts. Part A-Awareness of CSR, Part B-Level of CSR implementation, Part C-Barriers of CSR implementation and Part D-Strategies to reduce CSR implementation barriers. Questionnaires were distributed among construction companies. Secondary data collection was based on readings from articles, journals, research paper, published books and websites.
- At the third stage, data collected from the respondents were input into SPSS version 12.0 to run the reliability test (George and Mallery, 2003). As shown in Table 1, the collected data were calculated using the average index formula and the results were classified based on a range of values known as the average/mean index formula (Al-Hammad and Assaf, 1996):

$$\text{Average/mean Index} = \frac{\sum a_i x_i}{\sum x_i}$$

where,

a_i = Index of class

x_i = Frequency of response

- In the fourth step, data interpretation, discussion of the results and graphical illustrations were elucidated.
- Ultimately, the conclusion was drawn at the fifth stage.

RESULTS AND DISCUSSION

Determining the level of awareness: This study was conducted to examine the state of CSR implementation among construction companies in Malaysia. More than 60 questionnaires sets were distributed, but only 30 construction companies responded. They are 4 companies from Kuala Lumpur, 11 from Selangor, 8 from Johor, 1 from Negeri Sembilan, 1 from Kedah, 1 from Terengganu and 4 from Sarawak. The majority of those companies are big contractors registered with

CIDB Grade 7 (24 companies). The rest were Grade 6 (2 companies), Grade 5 (2), Grade 4 and 3 (one for each). The respondents' positions and numbers were; managing director (2 respondents), head manager (3), general manager (5), admin executive (5), accountant (1), quantity surveyor (1), project engineer (5), site engineer (3), civil and structure coordinator (1), contract executive (1), environment officer (1), quality assurance engineer (1) and CEO assistant (1). The brief results discussed below were based on the goals of this study, which divided into four parts. The full results can be observed in the Appendix section.

Investigating the awareness of CSR implementation among construction companies: In this section, investigating the awareness of CSR implementation among construction companies in Malaysia were deeply taken into account. Literature review implied that most of the Malaysian's companies normally associated CSR with philanthropy. However, this does not fulfill CSR requirement due to the fact that most companies in Malaysia did not fully understand the CSR concept (Ahmad and Rahim, 2005). Based on the 30 sets of data collected from the surveys, 66.7% (20 companies) of construction companies claimed that they implemented CSR in their organization. Another 33.3% (10 companies) did not implement CSR in their organization as shown in Fig. 2.

On the contrary, Fig. 3 shows the contribution of companies towards philanthropy, education programs and sustainable environment. Among 30 companies participated in this questionnaire, results indicated that 11 companies contributed to philanthropy, 8 to sustainable environment constructions, 7 in all (including philanthropy, education programs and sustainable environment), and another 4 contributed to none of the above-mentioned indicators. By looking

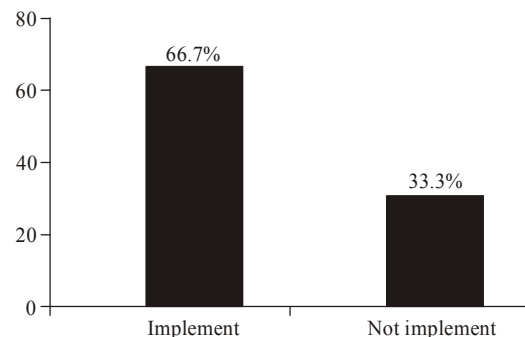


Fig. 2: CSR implementation among construction companies

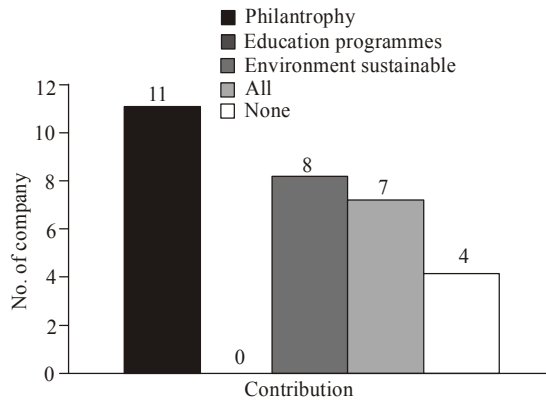


Fig. 3: Company CSR contribution

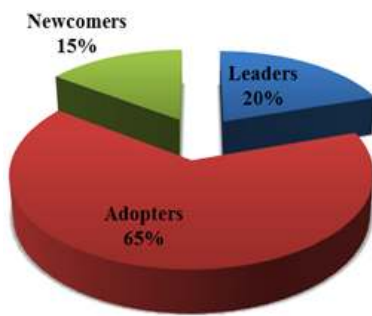


Fig. 4: CSR experience category

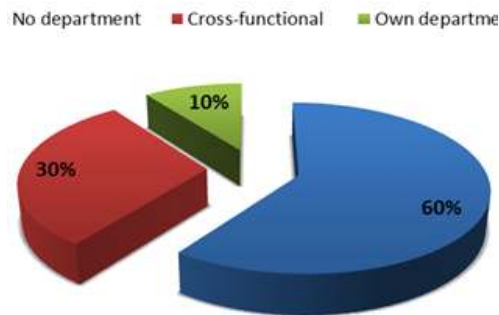


Fig. 5: CSR organization structure formation

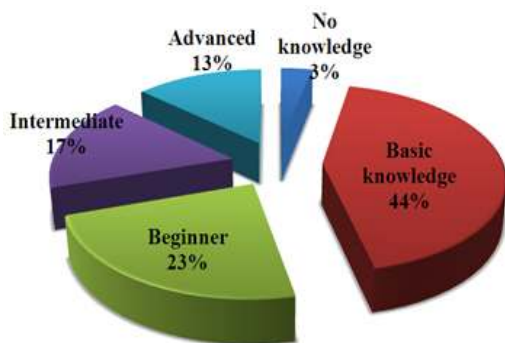


Fig. 6: Respondent understanding of CSR

more deeply at Fig. 3, 26 companies had initiative to contribute towards the community and the environment

overall. On the other hand, amongst the ten companies that did not implement CSR, six of them may have somehow a contribution, but they are not aware of the benefits involved in its adoption.

Figure 4 illustrates the percentage of companies in terms of CSR experience. Amongst the 20 companies claimed that they implemented CSR in their organization, 20% of the companies were categorized as CSR leaders in terms of making the first move, give the best practice examples and setting standards to other companies. Another 65% company belonged to the CSR adopters' group, where they had extensive knowledge of the CSR concepts and implemented selected appropriate measures. Lastly, 15% of the companies implemented CSR in their organizations were in the CSR newcomers group, meaning they were uninitiated as regards the concept of CSR or only had a basic knowledge in CSR.

Figure 5 presents the percentage of the CSR organizational structure in the companies implemented CSR. As it can be observed, only 10% of these had their own CSR departments; however, 60 and 30% of such companies had no specific organizational CSR structure and have cross-functional collaboration with other companies respectively. The high percentage of the companies had no specific CSR department due to low understanding of CSR concept. Additionally, most of the top managers were taken CSR implementation lightly as the CSR implementation was new to them inducing the majority of the companies to be adopters rather than being leaders (Fig. 4). Once the companies fully understood CSR concept and established a CSR department, they had potential to upgrade themselves as CSR leaders.

Investigating the awareness of CSR implementation among practitioners:

In this section, data were collected from 30 respondents with a variety of professions in the construction companies in order to determine their level of understandings. Turning to Fig. 6, 97% of the respondents understood CSR, while only 3% had no knowledge in CSR. This indicated that the respondent were aware of CSR. Of those, 97% of practitioners whom were aware, nearly 44% had basic knowledge pertaining to the CSR, compared to approximately 23% whom were regarded as a beginner. On the other hand, the percentage of those who had intermediate knowledge was around 17, whereas only 13% had a broad knowledge.

Investigating the role of medium in increasing the level of people's awareness:

Figure 7 shows the CSR awareness medium, which is a very important tool to increase awareness among the community, employees and employers. According to Fig. 7, about 33% of respondents gained awareness of CSR from magazines, books and newspaper, followed by 30% and nearly 13% from an organizational policy and electronic

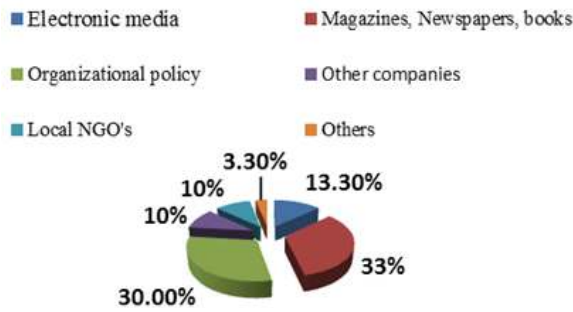


Fig. 7: CSR awareness medium

media respectively. On the other hand, 10% of the respondents were informed by both other companies and local non-governmental organizations. Lastly, 3% of respondents gained awareness by other means such as from a seminar conducted by the university. Most respondents working in the company implemented CSR were aware of and understood CSR from organizational policy itself due to the initiative of the company to educate the employees by encouraging participation in training, workshop, events and program related to CSR.

Assessing the extent of CSR implementation: In this section, Likert scale method was used in order to achieve the mentioned goals of this research. Hence, a reliability test using Cronbach’s Alpha was performed for evaluating the extent of CSR implementation, identifying the barriers of CSR implementation and examining the strategies to overcome the barriers, which the reliability test results obtained for each of them were 0.979, 0.741 and 0.918, respectively. The Overall Cronbach’s Alpha obtained was 0.974. Reliability coefficients in the range of the reliability coefficient > 0.9 can be classified as excellent (Cortina, 1993; Gliem and Gliem, 2003).

According to CSR principles and core subject listed by ISO 26000 (2010), it was trying to assess the extent of CSR implementation among construction companies in Malaysia. With regard to ISO 26000 (2010), each seven principles of social responsibility

and fourteen core subjects have to be performed, otherwise CSR implementation could be considered as incomplete. As discussed earlier, about 20 out of 30 companies applied CSR. Based on the data collected, Table 1a and 1b in Appendix show the results of calculations using average index formula.

Table 2 shows the summary implementation of CSR principles using average index value. The highest index value of 4.11 was for the principle of respect for human rights. This denoted that most company highly respected human rights among their employees, especially in a democratic country such as Malaysia where respecting human rights came naturally. These human rights gave the opportunity for the employees to express themselves more freely in the organization and not to be bonded to any stringent jurisdiction. Three principles that had the same average index value of 4.10 were ethical behavior, respect for stakeholders and respect for the rule of law, followed by respect for in international norms of behavior, with 3.90 average index value. Lowest average value among all of the principles of 3.80 went to accountability and transparency. In a highly competitive market, especially in the construction sector, most companies were reluctant to be accountable and transparent towards the community. Any mistakes, even the smallest would have serious repercussions on the company branding. Very high skills of planning and management during construction needed to be implemented on the basis of accountability and transparency. This implementation was onerous due to human factor such as low level of skills among workers. As a result, all average values were in the range of $3.50 \leq AI < 4.50$, which represent all principles in this section were at the implemented level.

Table 2 also shows the summary of CSR core subjects’ average index value. According to average index value in the table, the highest value of core subjects belonged to labor practices, at 4.10. This was most probably due to restriction and policy adopted by the government to emphasize labor practices in

Table 2: Implementation of CSR Principles

No	CSR Principles	AI	Classification	
1	Respect for human rights	4.11	Implemented	
2	Ethical behaviour	4.10		
3	Respect for stakeholder interests	4.10		
4	Respect for the rule of law	4.10		
5	Respect for in international norms of behaviour	3.90	Classification	
6	Accountability	3.80		
7	Transparency	3.80		
No	CSR Core subjects	AI		
8	Labour practices	4.10		Implemented
9	Community involvement and development	3.89		
10	Organizational governance	3.85		
11	Human rights	3.70		
12	The environment	3.68		
13	Consumer issues	3.68		
14	Fair operating practices	3.54		

construction over the previous years. Community involvement and development was the second highest, at 3.89, where company's contribution such as philanthropy and education programs to the community played an important role in implementing these core subjects. Third highest average index value was 3.85, which belonged to organizational governance, followed by human rights and the environment and consumer issues with 3.70 and 3.68, respectively. Lastly, fair operating practices had the lowest average index value of this core subject, with 3.54, which stem from a lack of implementation by one of the companies in each issue. Overall, each average value stated in the table was in the range of $3.50 \leq AI < 4.50$. This classified the implementation of CSR core subjects as implemented.

Overall, 20 companies claimed that they implemented CSR based on the principles and core subjects listed by ISO 26000 (2010). From the analysis of CSR carried out, the majority of the companies accentuated mostly on the principles of ethical behavior and respected for human right as it shows high average index value. The implementation on core subjects for labor practices was focused on more than the other core subjects. However, it is observed that the average index value of both principles and core subjects based on the classification of scale rating would be regarded as implemented (rating level 4).

Figure 8 illustrates a radar plot of CSR implementation principles among construction

companies in which CSR was claimed to be adopted. The blue colour line indicates implementation done by companies, meanwhile red line is indicative of the full implementation stated by ISO 26000 (2010). This radar plot can be used as a comparison for future improvement of CSR principles implementation. The shorter distance between the implementation of CSR principles done by the companies (blue line) and the full implementation done in accordance with the ISO 2006, the better the results.

Figure 9 illustrates the radar plot of CSR core subjects' implementation. As same as Fig. 8, it can be seen that there is a gap between the blue line representing implementation of the companies and red line representing full implementation suggested by ISO 26000 (2010), which needs to be ameliorated. The closer the gap between two lines, the better implementation of core subjects by the companies.

Investigating the obstacles to implementing CSR:

In this section, the barriers to properly implement CSR among construction companies in Malaysia were investigated. The pertinent data was collected from all 30 companies, regardless of whether they implemented CSR or not. The average index and classification of each CSR barrier were tabulated in Table 3. The full results could be observed in Table 2a in the Appendix section.



Fig. 8: Radar plot of implementation of CSR principles



Fig. 9: Radar plot of implementation of CSR core subjects



Fig. 10: Average index of barriers of CSR implementation

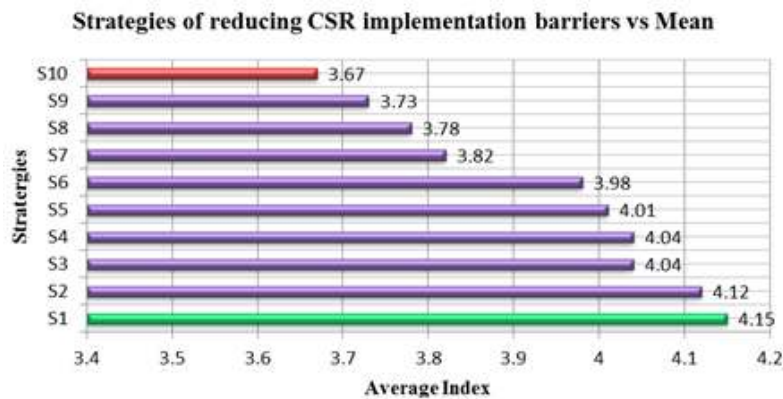


Fig. 11: Strategies to reduce CSR implementation barriers with average index value

Table 3: Barriers of CSR implementation

No	CSR Barriers	AI	Classification
B1	No support from top management	4.20	Agree
B2	Lack of employee motivation	3.97	
B3	Lack knowledge and monitoring capacity of market environment	3.73	
B4	Cost constrain	3.67	
B5	Lack of awareness	3.50	
B6	Lack of time	3.30	Moderately agree
B7	Over-emphasis on inspections and cheating	3.30	
B8	Lack of human resource	3.23	
B9	Competing codes of conduct from different customers (Too many duplication)	3.20	
B10	Unavailability of technology	2.67	

Table 4: Summary of strategies to reduce barriers of CSR implementation

No	CSR Strategies	AI	Classification
S1	Reduce cost constraint	4.15	Agree
S2	Increase awareness if CSR implementation	4.12	
S3	Increase human Resource	4.04	
S4	Increase employees motivation	4.04	
S5	Increase top management commitment	4.01	
S6	Increase understanding of CSR concept	3.98	
S7	Reduce duplication	3.82	
S8	Avoid over-emphasis on inspections and cheating	3.78	
S9	CSR technology usage	3.73	
S10	Time resource management	3.67	

Figure 10 illustrates the average value of CSR barrier implementation. Out of the 10 CSR barriers, the highest average value analyzed was 4.20 related to no

support of top management. High average index value shows that most respondents considered no support of top management as the major stumbling block to CSR

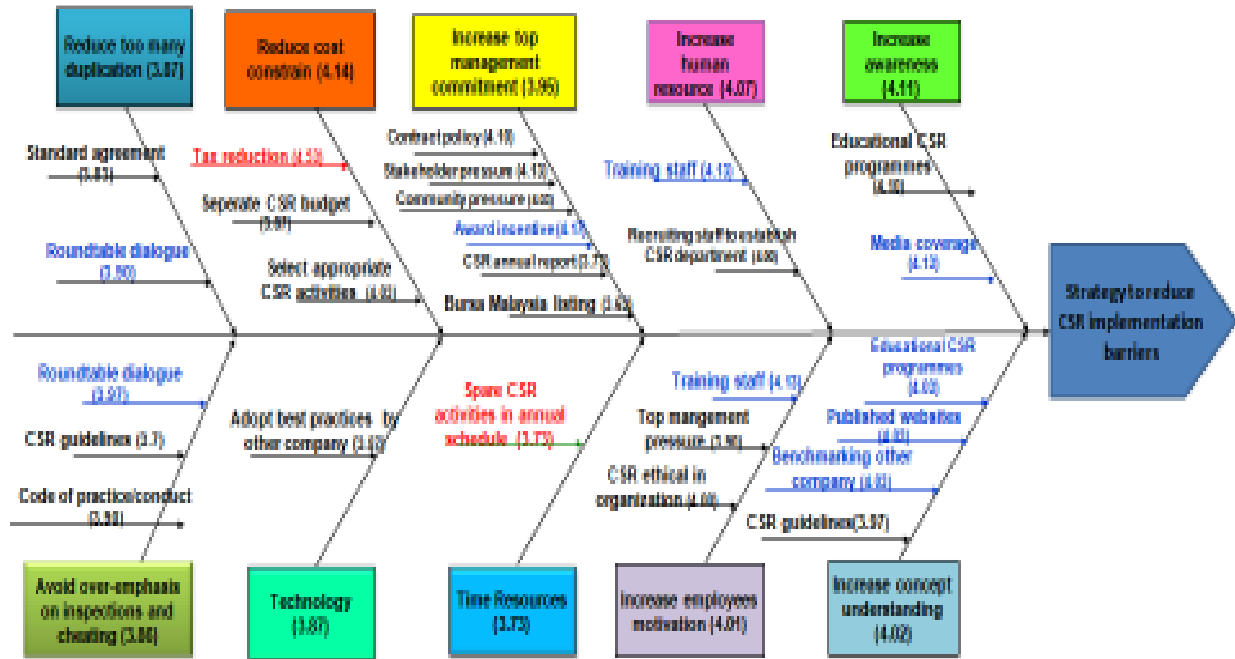


Fig. 12: Fishbone diagram of Strategies to reduce CSR implementation barriers

implementation. Meanwhile, the lowest average value was unavailability of technology, at 2.67. This implies that unavailability of technology was moderately believed as a barrier of CSR implementation.

Identifying the strategies to diminish the barriers of CSR implementation: In order to examine the strategies for reducing the barriers of CSR implementation, respondents from both groups of companies; whether they implemented CSR or not, participated in the survey. Table 4 shows the average index value and classification of strategies to reduce the barriers of CSR implementation. Again, full results are shown in Table 3a in the Appendix.

The average value of how to reduce CSR barrier implementation is shown in Fig. 11. Based on the figure, reduce cost constraint, which is indicated by S1, is of paramount importance in reducing CSR barriers. This high average index value represents most respondents agreed that reduce cost constrain such as government incentives, including tax reduction, separate CSR budget and select appropriate CSR activities (Table 3a in Appendix) were the critical strategies to reduce CSR implementation barriers. The lowest average index value is shown by S10 that was time resources.

The Fishbone diagram illustrated in Fig. 12 shows the strategies to reduce CSR implementation barriers highlighted in different colors. Concerning the figure, each of the barriers was categorized into sub-divisions detailing the strategies to achieve further reductions in the barriers of CSR implementation.

CONCLUSION

Corporate Social Responsibility (CSR) in Malaysia has recently gained attentions of myriad practitioners in the organizations. Therefore, it is of paramount importance to take this issue deeply into consideration due to the growing environmental awareness and demand for better social equality among the population and communities. On top of all those, serious repercussions such as landslide have been recorded as the results of lacking proper CSR implementation. Despite numerous promotions and encouragements given, the implementation of CSR among Malaysia construction companies has remained low. In light of these, the authors of this research tried to address this critical issue through investigating the awareness of CSR implementation, assessing the current level of CSR implementation, investigating the obstacles to implementing CSR, and more importantly, examining the practicable strategies in reducing those barriers among construction companies in Malaysia. Guideline of social responsibility presented in ISO 26000 (2010) (Guidance on social responsibility) served as the main reference point to gauge the CSR implementation level among organizations. Thirty questionnaires were set using five point Likert scale method, which sent to selected construction companies in Malaysia. Furthermore, collected data were analysed using average index formula. From the findings obtained, 66.7 per cent of the companies claimed that they implemented CSR principles and related core elements. In addition, no support from the top management would be regarded as the critical obstacle to implementing

APPENDIX:

Table 1a: Full results of implementation of CSR principles

Implementation of CSR principles		NI	SI	MI	I	SI	*AI	
1	Accountability on: An organization should its impacts on society, the economy and the environment.	NR PR	0 0	1 5	5 25	11 55	3 25	3.80
2	Transparency on: An organization should its decision and activities that impact on society and the environment.	NR PR	0 0	1 5	6 30	9 45	4 20	3.80
3	Ethical behaviour on: An organization should behave ethically at all times.	NR PR	0 0	1 5	2 10	11 55	6 30	4.10
4	Respects for stakeholder interests: An organization should respect, consider and respond to the interest of its stakeholders.	NR PR	0 0	1 5	2 10	11 55	6 30	4.10
5	Respect for the rule of law on: An organization should accept that respect for the rule of law is mandatory.	NR PR	0 0	1 5	2 10	11 55	6 30	4.10
6	Respect for in international norms of behaviour An organization should respect international norms of behaviour, while adhering to the principle of respect for the rule of law.	NR PR	0 0	1 5	5 25	9 45	5 25	3.90
7	Respect for human rights on: An organization should respect human rights and recognize both their importance and their universality.	NR PR	0 0	1 5	4 20	7 35	8 40	4.10

Not Implemented (NI), Slightly Implemented (SI), Moderately Implemented (MI), Implemented (I), Strongly Implemented (SI), Average Index (AI), Number of Respondent (NR), %age of Respondent (PR)

Table 1b: Full results of implementation of CSR core subjects and issues

Implementation of core subjects		NI	SI	MI	I	SI	AI	
8	Organizational governance Decision making process and structures	NR PR	0 0	1 5	4 20	12 60	3 15	3.85 3.85
9	Human rights Due diligence	NR PR	0 0	2 10	5 25	11 55	2 10	3.65 3.70
	Human rights risk situations	NR PR	0 0	1 5	4 20	12 60	3 15	3.85
	Avoidance of complicity	NR PR	0 0	2 10	5 25	11 55	2 10	3.65
	Resolving grievances	NR PR	0 0	2 10	5 25	9 45	4 20	3.75
	Discrimination and vulnerable groups	NR PR	1 5	3 15	4 20	9 45	3 15	3.50
	Civil and political rights	NR PR	1 5	1 5	5 25	10 50	3 15	3.65
	Economic, social and cultural rights	NR PR	0 0	1 5	6 30	8 40	5 25	3.85
	Fundamental principles and rights at work	NR PR	0 0	3 15	4 20	8 40	5 25	3.75
10	Labour practices Employment and employment relationships	NR PR	0 0	1 5	3 15	8 40	8 40	4.15 4.10
	Conditions of work and social protection	NR PR	0 0	2 10	2 10	7 35	9 45	4.15
	Social dialogue	NR PR	0 0	2 10	2 10	11 55	5 25	3.95
	Health and safety at work	NR PR	0 0	1 5	11 55	0 0	8 40	4.30
	Human development and training in the workplace	NR PR	0 0	1 5	4 20	10 50	5 25	3.95
11	The environment Prevention of pollution	NR PR	0 0	1 5	8 40	4 20	7 35	3.85 3.68
	Sustainable resource use	NR PR	0 0	2 10	7 35	6 30	5 25	3.70
	Climate change mitigation and adoption	NR PR	0 0	3 15	9 45	4 20	4 20	3.45
	Protection of the environment, biodiversity and restoration of natural habitats	NR PR	0 0	2 10	5 25	10 50	3 15	3.70

Table 1b: Continue

Implementation of core subjects		NI	SI	MI	I	SI	AI			
12	Fair operating practices	NR	1	1	8	6	4	3.55	3.54	
	Anti-corruption	PR	5	5	40	30	20			
	Responsible political involvement	NR	1	1	7	9	2	3.50		
		PR	5	5	35	45	10			
	Fair competition	NR	1	1	6	7	5	3.70		
		PR	5	5	30	35	25			
	Promoting social responsibility in the value chain	NR	1	2	5	9	3	3.55		
		PR	5	10	25	45	15			
	Respect for property rights	NR	1	3	6	7	3	3.40		
		PR	5	15	30	35	15			
	13	Consumer issues								
		Fair marketing, factual and unbiased information and fair contractual practices	NR	0	2	6	9	3	3.65	3.68
PR			0							
Protecting consumers' health and safety		NR	0	2	2	13	3	3.85		
		PR	0							
Sustainable consumption		NR	0	2	6	10	2	3.60		
		PR	0							
Consumer service, support, and complaint and dispute resolution		NR	0	1	5	11	3	3.80		
		PR	0							
Consumer data protection and privacy		NR	1	1	6	9	3	3.60		
		PR								
Access to essential services		NR	1	1	5	11	2	3.60		
	PR									
Education and awareness	NR	1	1	4	12	2	3.65			
	PR									
14	Community involvement and development									
	Community involvement	NR	0	1	5	9	5	3.90	3.89	
		PR	0							
	Education and culture	NR	0	1	3	12	4	3.95		
		PR	0							
	Employment creation and skills development	NR	0	2	2	11	5	3.95		
		PR	0							
	Technology development and access	NR	0	2	4	9	5	3.85		
		PR	0							
	Wealth and income creation	NR	0	3	4	7	6	3.80		
		PR	0							
	Health	NR	0	1	6	6	7	3.95		
PR		0								
Social investment	NR	0	4	3	6	7	3.80			
	PR	0								

Table 2a: Full results of barriers in implementing CSR

In your opinion, what are the barriers to implementing CSR?		SD	D	SLI	A	SA		
1	Lack of awareness	NR	2	2	10	11	5	3.50
		PR	6.7	6.7	33.3	36.7	16.7	
2	Lack knowledge and monitoring capacity of market environment	NR	0	1	11	13	5	3.73
		PR	0	3.3	36.7	43.3	16.7	
3	Lack of human resource	NR	1	5	13	8	3	3.23
		PR	3.3	16.7	43.3	26.7	10	
4	Lack of employee motivation	NR	1	0	6	15	8	3.97
		PR	3.3	0	20	50	26.7	
5	No support from top-management	NR	0	1	6	9	14	4.20
		PR	0	3.3	20	30	46.7	
6	Lack of time	NR	1	6	9	11	3	3.30
		PR	3.3	20	30	36.7	10	
7	Lack of funds	NR	0	2	11	12	5	3.67
		PR	0	6.7	36.7	40	16.7	
8	Unavailability of technology	NR	2	12	10	6	0	2.67
		PR	6.7	40	33.3	20	0	
9	Competing codes of conduct from different customers (Too many duplications)	NR	0	2	20	8	0	3.2
		PR	0	6.7	66.7	26.7	0	
10	Overemphasis on inspections and cheating	NR	0	5	13	10	2	3.30
		PR	0	16.7	43.3	33.3	6.7	

Strongly Disagree (SD), Disagree (D), Slightly Agree (SA), Strongly Agree (SA), Number of Respondent (NR), %age of Respondent (PR), Average Index (AI)

Table 3a: Full results on strategies to reduce CSR implementation barriers

In your opinion, what are the strategies to overcome CSR implementation barriers?		SD	D	SLI	A	SA	AI	
1	To increase awareness if CSR implementation							
	Educational CSR programmes	NR	0	0	3	19	8	4.17
		PR	0	0	10	63.3	26.7	4.19
	Media coverage	NR	0	0	3	18	9	4.20
		PR	0	0	10	60	30	
2	To increase understanding of CSR concept							
	Educational programmes on CSR concepts	NR	0	0	5	19	6	4.03
		PR	0	0	16.7	63.3	20	4.02
	Published websites	NR	0	0	6	17	7	4.03
		PR	0	0	20	56.7	23.3	
	Benchmarking: Profiling best practices by other company	NR	0	0	7	16	7	4.03
		PR	0	0	23.3	53.3	23.3	
	Usage of CSR guidelines (such as ISO26000, The Silver Book)	NR	0	1	6	16	7	3.97
		PR	0	3.3	20	53.3	23.3	
3	Human resource							
	Training staff to develop CSR initiatives	NR	0	0	6	14	10	4.13
		PR	0	0	20	46.7	33.3	4.07
	Recruiting staff to establish a CSR department	NR	0	2	4	16	8	4.00
		PR	0	6.7	13.3	53.3	26.7	
4	Increase employee motivation							
	Training of staff member	NR	0	0	5	16	9	4.13
		PR	0	0	16.7	53.3	30	4.01
	Top management pressure	NR	0	1	10	10	9	3.90
		PR	0	3.3	33.3	33.3	30	
	CSR ethical in organization	NR	0	0	8	14	8	4.00
		PR	0	0	26.7	46.7	26.7	
5	Increase top management commitment							
	Government incentive (contract policy)	NR	0	2	1	19	8	4.10
		PR	0	6.7	3.3	63.3	26.7	3.95
	Stakeholder pressure	NR	0	0	5	16	9	4.13
		PR	0	0	16.7	53.3	30	
	Societal pressure	NR	0	0	6	17	7	4.03
		PR	0	0	20	56.7	23.3	
	Award incentive	NR	0	0	5	15	10	4.17
		PR	0	0	16.7	50	33.3	
	CSR annual report	NR	0	2	8	16	4	3.73
		PR	0	6.7	26.7	53.3	13.3	
	Bursa Malaysia listing	NR	1	3	7	14	5	3.63
		PR	3.3	10.0	23.3	46.7	16.7	
6	Time resource management							
	Spare CSR activities in organization annual schedule	NR	0	1	10	15	4	3.73
		PR	0	3.3	33.3	50	13.3	3.73
7	Reduce cost constraint							
	Government incentive: tax reduction	NR	0	0	4	9	17	4.43
		PR	0	0	13.3	30	56.7	4.11
	Separate CSR budget	NR	1	1	6	15	7	3.87
		PR	3.3	3.3	20	50	23.3	
	Select appropriate CSR activities that have low budgets	NR	0	1	6	14	9	4.03
		PR	0	6.7	20	46.7	30	
8	Technology							
	Adopting best practices technology by another company	NR	0	3	7	11	9	3.87
		PR	0	10	23.3	36.7	30	3.87
9	Reduce too many duplications							
	Agreement on common standard with customer	NR	0	3	4	18	5	3.83
		PR	0	10	13.3	60	16.7	3.87
	Roundtable dialogue with key stakeholder	NR	0	1	7	16	6	3.90
		PR	0	3.3	23.3	53.3	20	
10	Avoid over-emphasis on inspections and cheating							
	Usage of CSR guidelines	NR	0	4	5	17	4	3.7
		PR	0	13.3	16.7	56.7	13.3	3.86
	Roundtable dialogue with key stakeholder	NR	0	0	5	21	4	3.97
		PR	0	0	16.7	70	13.3	
	Code of practice	NR	0	2	6	15	7	3.90
		PR	0	6.7	20	50	23.3	

Strongly Disagree (SD), Disagree (D), Slightly Agree (SA), Strongly Agree (SA), Number of Respondent (NR), %age of Respondent (PR), Average Index (AI)

CSR. Reduction in cost constrains such as tax incentive, separate CSR budget and appropriate CSR activities would be contemplated as the fruitful strategies to reduce the barriers of CSR implementation.

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