



## CORPORATE SOCIAL RESPONSIBILITY (CSR): THE PATTERN OF CORPORATE PHILANTHROPY SHOWN BY SELECTED PUBLICLY LISTED COMPANIES IN MALAYSIA

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### ABSTRACT

This study explored patterns in corporate philanthropy activities by selected publicly listed companies in Malaysia. Possible seasonal trends in such activities were investigated to determine whether contributions and volunteerism occurred mostly during festival seasons. Data was collected from 142 annual reports from the Bursa Malaysia main market and 51 respondents from these firms. The means and standard deviations of variables were analysed descriptively; Chi-square tests were used to test for statistically significant seasonal trends. No seasonal trends in corporate philanthropic activities were found. While such patterns had been previously reported by other researchers, these findings indicate that corporate responsibility reporting standards may be changing philanthropic patterns in Malaysia. This study was conducted during the COVID-19 pandemic, and was thus limited to online methodology. Further such studies are recommended that focus not only on publicly listed companies, but also on other types of businesses.

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### 1. INTRODUCTION

Corporate social responsibility (CSR) is one element in the growth and survival of a company that has been receiving a large amount of attention from society. A company has engaged in CSR when its operations help to enhance society and the environment instead of contributing negatively to them. CSR promotes the notion that being good also creates opportunities for company to do well financially.

Corporate social responsibility is also known by a number of other names such as corporate responsibility, corporate accountability, corporate ethics, corporate citizenship or stewardship, responsible entrepreneurship, and the “triple bottom line,” to name just a few (Hohnen & Potts, 2007). As CSR issues become increasingly integrated into modern business practices, there is a trend towards referring to it as

“responsible competitiveness” or “corporate sustainability.” Another term for CSR is *corporate conscience*, which incorporates social and environmental issues into business models so that business operations will maximise a firm’s contribution to society (Ganu, 2020; Davis, 2022).

Definitions of CSR take several forms. Lantos (2001) summarised CSR as a form of “social contract”, where a business needs to be responsive to society’s long run needs and wants by optimizing the positive effects and minimizing the negative effects of business actions on society. In an earlier study of CSR, Carroll (1999) stated that social responsibilities of businesses encompass the economic, legal, ethical and discretionary expectations that society has of organisations. In simpler terms, CSR has become an obligation of companies to protect and improve the state of society while ensuring fair and sustainable outcome for various stakeholders at all times (Mihalache, 2013). Specific obligations include matters such as limiting usage of non-renewable natural resources, curtailing pollution, and taking steps to reduce global warming.

CSR based on Carroll’s model is divided into a four-level pyramid. The first level is *economic responsibilities*, where the company fulfills its duties to stockholders by maximizing profit while maintaining a strong competitive position in the market. The second level is its *legal responsibilities*, where the company practices CSR by obeying the laws and regulations set by the governing authorities. The third level involves its *ethical responsibilities*, where a company follows CSR by doing the right things in an ethical manner even if it is not required to do so by the law. The fourth level is its *philanthropic responsibilities*, where the company uses CSR to give back to the community by organizing humanitarian programs, such as giving donations or offering to do volunteer work.

CSR has been improving and evolving over the years. Recent CSR models are the DNA of CSR 2.0 by Visser (2010), the Value Creation Model by Gholami (2011), and Consumer-Driven Corporate Responsibility by Claydon (2013). Visser argued that a new CSR model was needed and introduced four DNA responsibility bases, namely:

- 1) Value Creation with a strategic goal of economic development, characterised by increased capital investment, beneficial (sustainable) products, and inclusive wealth creation;

- 2) Good Governance with a strategic goal of institutional effectiveness, exemplified by transparent reports and ethical business practices that prevent corruption;

- 3) Societal Contribution with a strategic goal of stakeholder orientation, as seen in philanthropic contributions to society, fair labour practices, and supply chain integrity; and

- 4) Environmental Integrity with a strategic goal of sustainable ecosystems, exemplified by ecosystem protection, use of renewable resources, and zero waste production (Visagie et al, 2019).

Gholami’s CSF value creation model emphasised the mutual dependence between organisations and society, and adopted Carroll’s (1999) pyramid model as a basis for value creation (Visagie et al., 2019). This pyramid’s four dimensions include the economic, legal, ethical, and philanthropic responsibilities that firms should deliver as they create value for organisations and society. Claydon (2013) posited that when firms engage in socially and environmentally responsible behaviour, their

reputations are enhanced; this leads to an expanding customer base and improved profitability.

In 2012, the Bursa Malaysia CSR framework focused on four areas that included the environment, the community, the marketplace, and the workplace (Sarwar & Azam, 2013). Bursa Malaysia intended to put significant weight on protection of the environment, enhancing relationships by finding many ways to contribute to communities as a whole, developing strong ties with marketplaces by encouraging production of green products while engaging in ethical procurement only, and enforcing good employee treatment in the workforce while guaranteeing basic human rights. Based on the Bursa Malaysia framework, here are some examples from companies' CSR activities that are taken from their annual reports.

1. **The Environment.** In 2021, Ahmad Zaki Resources Berhad reported that since it is aware of the significant risk that their operational activities pose to the environment, the company has committed to optimising energy usage, minimising pollution generated, conserving water resources, and protecting biodiversity in the surrounding areas where it operates.
2. **The Community.** In 2021, UMS Holdings Bhd made a financial commitment to help Malaysian athletes achieve success. The company also made several donations of cash and daily essentials to charitable organisations such as orphanages and homes for abandoned and neglected children.
3. **The Marketplace.** Petronas Dagangan Bhd 2021 Annual Report stated that the company was working to future-proof their business through constant innovation and reinvention. The company has been supporting local economies by partnering with more than 1,700 local Small and Medium Enterprises, introducing a Love Local Campaign to promote local products and brands, and supporting the employment of approximately 14,900 individuals.
4. **The Workplace.** In 2020, Cuscapi Berhad stated in their Annual Report that it had been promoting a healthy workplace to encourage productivity and efficiency by implementing Health and Safety measures, instructing employees to work from home during the COVID-19 pandemic, organising various activities that stimulated team chemistry, and providing incentives and rewards to boost employee morale.

The Bursa Malaysia, following the orders of the International Trade and Industry Ministry secretary, General Datuk Isham Ishak, has made it mandatory for listed companies to report a CSR or corporate sustainability programme to help enhance a company's annual report and demonstrate market leadership (Chua, 2018). The government in Malaysia realises that CSR is the best strategy to gauge where a company stands in comparison to its competitors, to measure the effectiveness of its management, and to understand the attitude of stakeholders towards it.

Companies in Malaysia, even before the mandatory orders, have been reporting their CSR programmes in their annual reports, but to what extent? This research project looked into different companies in Malaysia and analysed their CSR practices.

## **2. BACKGROUND**

Some companies in Malaysia reported their CSR activities using standard guidelines even before the government in Malaysia made it mandatory for listed company to disclose and file such reports.

Many past investigators such as Zulkifli and Amran (2006), Yusoff and Yee (2017), and Saleh et al. (2011) believed that CSR was influenced by beliefs and culture. Malaysia is a country characterised by strong religious beliefs and a corresponding culture. The idea presented by past investigators was that corporate philanthropy in Malaysia tended to follow a seasonal trend. With this in mind, there was a high expectation that companies would conduct corporate philanthropic activities during religious or cultural festivals. But has that become a pattern or a trend for the top performing companies in Malaysia? This study focused on the fourth level of CSR, which is philanthropic responsibility, to investigate this claim by past investigators.

## **3. LITERATURE REVIEW**

Corporate social responsibility is not a new issue, as it has been going on for decades. Social responsibility is the expectation that businesses or individuals will strive to improve the overall welfare of society. From a business perspective, managers should take active steps to make society better by virtue of the business being in existence (Dess et al., 2019). Roddick (1994) suggested that corporate responsibilities are plain and simple. Consumers expect moral decisions; therefore, businesses need to rethink their approaches to encourage sustainable and healthy growth across the globe. When their social responsibility leads firms to invest in opportunities to improve energy efficiency, capture carbon, or reduce global warming, then fulfilling social duties while making sustainable profits may indeed “go hand in hand”. By serving the interests of society as well as stakeholders, opportunities open up for a company to make profitability sustainable over the long term (Mischke et al., 2021). Corporate philanthropy takes three different forms which are corporate giving, corporate volunteering, and corporate foundations (Schnurbein et al., 2016). Schnurbein et al., (2016) explained that strategic corporate philanthropy will boost the competitive position of the corporation, create positive moral capital in relation to the stakeholders, and positively influence the market premiums for initial public offerings by firms.

### **3.1 Corporate social responsibility in Malaysia**

A study of the annual reports of the 250 largest companies in Malaysia for the year 2000 provided evidence that CSR activity was poor in quality and low in quantity (Thompson & Zakaria, 2004). Assessment was based on the extent and openness of voluntary disclosures about CSR activities. The environment was briefly mentioned by just 16% of firms, and 98% of total disclosures focused on good news. Reasons for this poor performance included a lack of government and public pressure, a lack of perceived benefits of CSR, and widely held views that business did not have a significant impact on the environment. Another study indicated that the overall level of CSR among industrial companies in Malaysia was growing, as well as the level of disclosure of CSR activities (Janggu et al., 2007). Janggu et al. further indicated that over the period from 1998 to 2003, local firms were more socially responsible than their foreign counterparts, as these firms tended to disclose more information than

foreign ones. This was before the mandatory requirement was issued by the Malaysian government.

The observed increase in the extent and quality of CSR reporting in Malaysia has coincided with global financial turmoil, the revised Malaysian code of corporate governance, mandatory CSR disclosure requirements, the giving of CSR specific awards, and increasing awareness of CSR issues (Haji, 2013). The Malaysian code of conduct aims to provide a framework or control mechanism that supports the company in achieving its goals, while preventing unwanted conflict and promoting ethical behavior, accountability, transparency and sustainability that is important for governance of companies and stewardship of investor capital. CSR Malaysia and the Malaysian Welfare Society for Corporate Sustainability and Responsibility have given awards to a few companies in Malaysia through The Sustainability and CSR Malaysia Awards for their continuing CSR activities. This event is held yearly, and the winner gets a chance to enhance their company's goodwill when newspaper outlets or national television mention the company's name. The judging criteria for these awards consist of the following standards:

- The company's practices are aligned with the Sustainable Development Goals (SDGs) by the United Nations, and a statement that its practices do not conflict with the SDGs
- A company's clear purpose and goals for sustainability initiatives
- The impact created / the significance of the sustainability initiatives
- Frequency of sustainability / CSR events held
- Total amount of contributions given
- Transparency in reporting sustainability / CSR initiatives
- Creative implementation of sustainability / CSR activities
- Strength of the sustainability / CSR team
- Sincerity and the effectiveness of each initiative

### **3.2 Corporate philanthropy**

Schnurbein et al. (2016) defined the three forms of corporate philanthropy as follows:

1. *Corporate Giving* entails all contributions in terms of money or in-kind gifts by the corporation to society driven by four motivational categories, consisting of strategic profit maximization, altruistic motivation, political motivation, and managerial utility motivation. Also known as corporate charitable donations, corporate giving is used to help maintain a company's competitive advantages in an increasingly turbulent business environment through charitable donations in terms of money, in-kind gifts, or services to the needy to alleviate a shortage of public services and products (Wang et al., 2022).

2. *Corporate Volunteering* aims to enhance companies' communities and employee relations by supporting and fostering employees' efforts to perform community service during working hours. Corporate volunteering can be expressed as employed individuals giving time during a planned activity for external not-for-profit or charitable organisations, with employer support contributing to building social capital, maintaining stronger and safer communities, boosting company morale, ensuring the provision of efficient, enhancing employee skills and well-being, and

creating a profile that attests to the organisation's commitment to being socially responsible (Hamilton et al., 2019).

3. *Corporate Foundations* are designed as separate legal entities that have been established and funded by a for-profit company to perform charitable activities. Corporate foundations create a way to position the company as a citizen, and are used as tools to create a company's competitive advantage by demonstrating corporate social responsibility through avenues such as charitable donations (Morsy, 2015).

Corporate philanthropy may be treated as a marketing tool that would facilitate relationships between companies and their stakeholders while enhancing corporate image, gaining media attention, altering public attitudes, and supporting promotional campaigns (Bin Amran et al., 2007). The word philanthropy brings a good meaning and expresses a good vibe, but it can also be manipulated. Corporate philanthropy can be used as a gimmick to promote a company's "charitable image", and used as a tool to conceal or "whitewash" corporate irregularities rather than purely doing good (Wang et al., 2022).

### **3.3 Corporate philanthropy in Malaysia**

Past investigation of CSR activity in Malaysia has suggested that commitment to CSR activities is often expressed in terms of charitable giving (Bin Amran et al., 2007). Malaysian consumers seem to focus more on corporate philanthropic responsibility and wanting to see companies contribute money, facilities, and employee time to humanitarian programs (Rahim et al., 2011).

Zulkifli and Amran (2006) observed that activities pertaining to CSR in Malaysia were seasonal when many companies, especially Bumiputera (indigenous) controlled companies, displayed their generosity by giving out donations at festival times, such as at the Eid-Festival (Muslim community) and at Chinese New Year. These donations are usually given to schools, orphanages, nursing homes, or individuals like single mothers and others who need them. They further suggested that CSR activity tended to be linked to the nature of a company's business activities

A study made by Yusoff and Yee in 2017 suggested that CSR practices in Malaysia are influenced by unique characteristics of an "Eastern ethnic work ethos" that adheres to religious beliefs and culture due to its people being enmeshed in a mosaic of different races, religions, beliefs, and cultural practices. They also suggested that CSR tends to be a seasonal activity, such as philanthropic contributions during the main religious and cultural festivals.

Saleh et al. (2011) indicated that some companies' community activities in Malaysia involved giving donations, creating sponsorships for sports events, and making contributions to educational and activities related to national pride. Top Glove Corporation Berhad, a publicly listed company, won top honors at the 2022 Sustainability & CSR Malaysia Awards. Its Top Glove Foundation was recognised for community outreach efforts including financial contributions, donations of personal protective equipment, and philanthropic activities totalling approximately RM190 million (Sustainability & CSR Malaysia Awards, 2022). CSR Malaysia stated that Top Glove's efforts had improved the quality of life for the needy and the underprivileged through its charitable activities, especially during the period of recovery from the COVID-19 pandemic. These awards have inspired other Malaysian companies to go beyond merely making profits. They have helped to promote

sustainable economics by helping marginalised communities and making efforts to preserve Malaysia's environmental heritage for future generations.

### **3.4 Bursa Malaysia and corporate social responsibility**

Bursa Malaysia, which operates under the purview of the Securities Commissions and the Ministry of Finance in Malaysia, regulates a fully integrated securities exchange offering a comprehensive range of exchange-related facilities, including listing, trading, clearing, settlement, and depository services. As the frontline regulator of the Malaysian capital market, it has the duty to maintain a fair and orderly market in the securities and derivatives that are traded through its facilities. As the stock exchange of Malaysia, Bursa Malaysia requires all listed companies to issue their annual reports for the public through them. Bursa Malaysia urges Malaysian publicly listed companies to adhere to CSR, and has created a CSR framework as guidelines for listed companies to practice CSR (Sarwar & Azam, 2013). With these CSR guidelines and the availability of listed companies' annual reports through the Bursa Malaysia website, public society has been given an easy way to access information about listed companies' CSR practices.

## **4. RESEARCH OBJECTIVES**

The objectives of this research study were as follows:

- 1) to identify patterns of corporate philanthropy in Malaysia; and
- 2) to investigate the claims of previous studies, which stated that corporate philanthropy by Malaysian companies has a seasonal trend, which displays more generosity during festive times.

While trying to identify patterns, the research study also investigated similarities in corporate philanthropy by comparing the practices of selected publicly listed Malaysian companies.

## **5. RESEARCH METHODOLOGY**

### **5.1 Design**

A descriptive research approach was utilised; mathematical modelling and a quantitative analytical approach were adopted. The primary research method used was to access annual reports from the Bursa Malaysia website for different companies operating in Malaysia. Bursa Malaysia provides annual reports for listed companies in Malaysia; these are available for public use. The first data collection task adopted in this study was to review the disclosures of corporate philanthropy in Malaysia. Additional data was then collected by distributing questionnaire surveys to representatives of the selected publicly listed companies in an effort better understand the rationale behind, processes implemented, and targeted types of CSR activities.

### **5.2 Population and sampling frame**

There were 954 publicly listed companies in the Bursa Malaysia in 2020 which were divided into 3 types of markets: 1) the MAIN market (a number of companies that had issued at 25% of their total shares to the public), 2) the ACE market (stands for Access, Certainty, Efficiency, which is the ideal market for start-ups and new companies that are looking to push for for more capital by listing their companies publicly), and 3) the LEAP market (a platform intended to attract small and medium enterprises). The population consisted of the 755 publicly listed companies from the

MAIN market (Bursa Malaysia, 2021). A total of 142 firms from 13 sectors of this market were chosen in order to attain a confidence level of 95%.

### **5.3 Data collection method**

The data collection method is described as follows. First, there are 954 companies listed in different markets. The researcher chose the main market as the population, which consisted of 755 companies from 13 different sectors. From these 755 companies, 142 were selected from the Bursa Malaysia as the sample which covered 18.81% of the total population. Second, the chosen companies were grouped by their sector, and a comparison was made of their corporate philanthropy. After reviewing the names of the companies listed in Bursa Malaysia, the companies chosen for the sample represented either well-known publicly listed companies or those with business activities in both east and west Malaysia. The reason why this study collected data from the annual reports of listed companies is because they are the most important source of corporate reporting and accessible sources of information, either in hard copy or electronic publication (Saleh et al., 2010). Moreover, the Bursa Malaysia has made it mandatory for all listed companies to disclose their CSR activities in their annual reports to give a better image and reputation to companies that could improve their financial performance, enhance their brand image, and increase their ability to attract and retain the best workforce (Baba, 2017). A small amount of primary data was also collected by distributing survey questionnaires. The survey questionnaires were distributed with the hope to receive responses from 142 companies out of 755 companies. This primary data was obtained after emailing 756 companies twice, and calling 250 companies by telephone. Responses from 51 companies were received.

### **5.4 Instrument and measurements**

The survey questionnaire consisted of 8 sections. Sections 1 and 2 were “get to know” sections, asking about the type of business how long the companies had been listed in the Bursa Malaysia. Section 3 consisted of 7 questions that determined how important corporate philanthropy was to the company. Section 4 was the most important part which explored the pattern of the company’s philanthropy engagement. Section 5 asked about the type of corporate philanthropy in which the company had engaged, while Sections 6 and 7 asked about the company’s level of support towards various activities. Section 8 was optional, where the company could attach any magazine or newspaper clippings that reported on its corporate philanthropy activities. External sources of information held by Bursa Malaysia were accessed. The data needed from the annual report was the firm’s corporate philanthropy practices, whether the practices are conducted seasonally during Malaysian festivals or all year long, and whether the practices have the unique characteristics of “Eastern ethnic work ethos” as claimed by past investigators or not.

### **5.5 Data analysis technique**

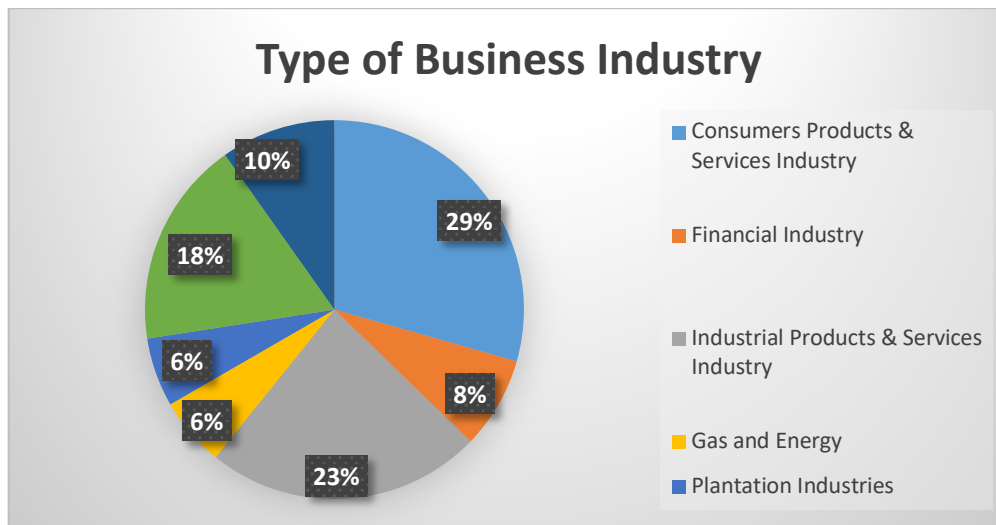
The primary data collected from the survey questionnaires were tabulated in a spreadsheet. The results shown in figures or tables were extracted from the spreadsheet. All data collected from the companies’ annual reports were transformed into numerical data before analysis. The data were grouped into types of CSR (Seasonal CSR, Not Seasonal CSR for the years 2019, 2020 and 2021), and the business category in accordance with Bursa Malaysia classification. The mean and



standard deviation for the variables derived from the observed data was analysed descriptively. The relationship between types of business industries and corporate philanthropy trends were calculated using the Chi-squared test function in a spreadsheet. Chi-square tests were used to test the validity of the hypothesis where the p-values show whether the observed results were statistically significant or not. If the p-value was less than the alpha level, the null hypothesis would be rejected.

## 6. RESULT

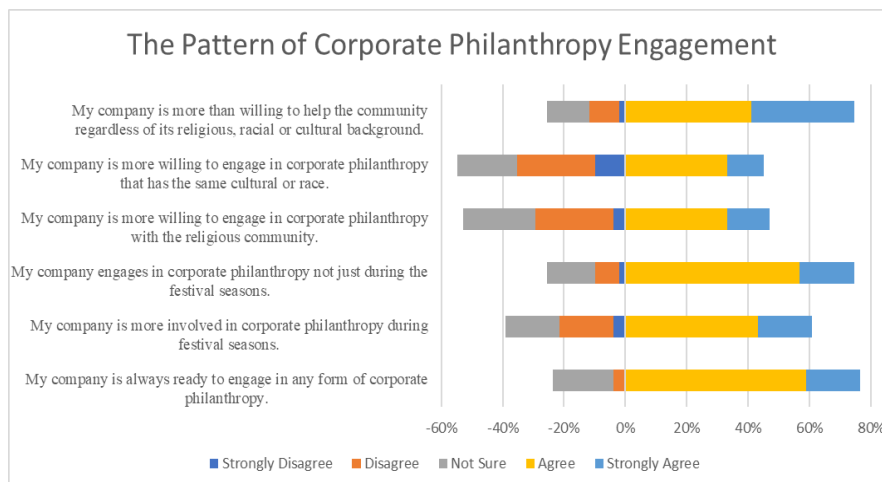
In this section, the results of the study were reported based on the qualitative and quantitative analyses carried out; frequencies and demographic information are also presented. Figure 1 shows the type of business industry in which firms were engaged.



**Figure 1: Primary data business industry information (N = 51)**

Based on Figure 1 above, the highest group of respondent firms were from the consumer products and services industry, followed closely by the industrial products and services industry. The lowest number of respondents were from the Gas and Energy Industry and Plantation Industries.

Figure 2 explored patterns of companies' philanthropy engagement.



**Figure 2: Patterns of corporate philanthropy engagement**

Figure 2 shows that most companies were willing to help their communities regardless of their religious, racial or cultural backgrounds. Although most companies were active in participating in corporate philanthropy during festival seasons, they were also active in participating outside of festival seasons.

Figure 3 shows the type of corporate philanthropy in which a company has engaged.



**Figure 3: Type of corporate philanthropy in which the company is engaged**

Figure 3 indicates that 80.39% of the respondents engaged in corporate giving of money or in-kind contributions.

Table 1 explore the frequencies with which a company engages in various activities.

**Table 1: Frequencies of corporate philanthropy activities**

	<u>Never</u>	<u>Rarely</u>	<u>Sometimes</u>	<u>Often</u>	<u>Always</u>
Culture or recreation (empowering social capital)	0.00%	12.00%	<b>44.00%</b>	28.00%	16.00%
Educational or research (sponsorship)	0.00%	13.73%	<b>43.14%</b>	15.69%	27.45%
Health	0.00%	7.84%	29.41%	<b>39.22%</b>	23.53%
Social services	0.00%	7.84%	27.45%	<b>33.33%</b>	<b>31.37%</b>
Environment	0.00%	8.00%	34.00%	<b>36.00%</b>	22.00%
Development or housing	3.92%	19.61%	<b>37.25%</b>	29.41%	9.80%
Law, advocacy or politics	11.76%	23.53%	<b>35.29%</b>	21.57%	7.84%
Religious activities	8.00%	20.00%	<b>34.00%</b>	28.00%	10.00%

Table 1 shows that Publicly Listed Companies were keen to engage in corporate philanthropy that involved health, social services, or the environment. It is safe to assume that this result was affected by the recent COVID-19 pandemic. On the other hand, companies seemed to show low frequencies in supporting development, housing, law, advocacy, and political or religious activities.

Table 2 shows the company's level of support towards various activities.

**Table 2: Level of corporate philanthropy support activities**

	None	Low	Moderate	High	Very High
Culture or recreation (empowering social capital)	0.00%	7.84%	<b>49.02%</b>	29.41%	13.73%
Educational or research (sponsorship)	0.00%	8.00%	36.00%	<b>38.00%</b>	18.00%
Health	0.00%	2.00%	42.00%	<b>38.00%</b>	18.00%
Social services	0.00%	6.00%	36.00%	<b>40.00%</b>	18.00%
Environment	0.00%	4.00%	<b>40.00%</b>	36.00%	20.00%
Development or housing	14.00%	16.00%	28.00%	<b>34.00%</b>	8.00%
Law, advocacy or politics	20.00%	12.00%	<b>38.00%</b>	26.00%	4.00%
Religious activities	12.00%	8.00%	<b>44.00%</b>	30.00%	6.00%

Table 2 indicates that Publicly Listed Companies showed high levels of support towards cultural, development and housing, educational, environmental, health, recreational, research, and social services activities. Even though companies engaged with development or housing only infrequently, there was a high level of support for such activities.

### 6.1 Descriptive statistical analysis of the corporate philanthropy trend

For the following analysis, the data were converted from a descriptive into a numerical form. Therefore, companies that had a seasonal corporate philanthropy trend were assumed to have a value of 1, and those that did not show such a seasonal trend were allocated a value of 2. Table 3 shows descriptive statistics for 3 recent years.

**Table 3: Descriptive statistics of corporate philanthropy trends**

	Y2019	Y2020	Y2021
Mean	1.92	1.99	1.97
Standard Error	0.02	0.01	0.01
Median	2.00	2.00	2.00
Mode	2.00	2.00	2.00
Standard Deviation	0.27	0.12	0.17
Sample Variance	0.07	0.01	0.03
Kurtosis	8.33	68.44	31.68
Skewness	-3.20	-8.34	-5.76
Range	1.00	1.00	1.00
Minimum	1.00	1.00	1.00
Maximum	2.00	2.00	2.00
Sum	273.00	282.00	280.00
Count	142.00	142.00	142.00
Confidence Level (95.0%)	0.04	0.02	0.03

For the three years of data, the same median value was obtained, although for the year 2019, a slightly lower mean was obtained than for years 2020 and 2021. The results show that with a confidence level of 95 percent, most companies did not have a seasonal trend in their corporate philanthropy for these three years. The same results were also indicated by the mean, mode, and median scores obtained for all three years.

Table 4 displays scores for the presence/absence of seasonal trends by industrial sector.

**Table 4: Relationship between type of industry and corporate philanthropy trend**

Expected Frequency Type of Business Industry	Year 2019			Year 2020			Year 2021		
	HT	NT	GT	HT	NT	GT	HT	NT	GT
Construction Industry	0.77	9.23	<b>10</b>	0.14	9.86	<b>10</b>	0.28	9.72	<b>10</b>
Consumer Product & Services Industry	2.40	28.60	<b>31</b>	0.44	30.56	<b>31</b>	0.87	30.13	<b>31</b>
Energy Industry	0.39	4.61	<b>5</b>	0.07	4.93	<b>5</b>	0.14	4.86	<b>5</b>
Financial Industry	0.46	5.54	<b>6</b>	0.08	5.92	<b>6</b>	0.17	5.83	<b>6</b>
Health Care Industry	0.23	2.77	<b>3</b>	0.04	2.96	<b>3</b>	0.08	2.92	<b>3</b>
Industrial Product & Services Industry	3.10	36.90	<b>40</b>	0.56	39.44	<b>40</b>	1.13	38.87	<b>40</b>
Plantation Industry	0.62	7.38	<b>8</b>	0.11	7.89	<b>8</b>	0.23	7.77	<b>8</b>
Property Industry	1.39	16.61	<b>18</b>	0.25	17.75	<b>18</b>	0.51	17.49	<b>18</b>
Real Estate Investment Trusts	0.23	2.77	<b>3</b>	0.04	2.96	<b>3</b>	0.08	2.92	<b>3</b>
Technology Industries	0.62	7.38	<b>8</b>	0.11	7.89	<b>8</b>	0.23	7.77	<b>8</b>
Telecommunications & Media Industry	0.23	2.77	<b>3</b>	0.04	2.96	<b>3</b>	0.08	2.92	<b>3</b>
Transportation & Logistic Industry	0.39	4.61	<b>5</b>	0.07	4.93	<b>5</b>	0.14	4.86	<b>5</b>
Utilities Industry	0.15	1.85	<b>2</b>	0.03	1.97	<b>2</b>	0.06	1.94	<b>2</b>
<b>Grand Total (GT)</b>	<b>11</b>	<b>131</b>	<b>142</b>	<b>2</b>	<b>140</b>	<b>142</b>	<b>4</b>	<b>138</b>	<b>142</b>
	<i>p-value</i> =		0.56	<i>p-value</i> =		0.91	<i>p-value</i> =		0.48
Level of Significance, $\alpha = 0.075$									

Notes. HT = Has seasonal trend; NT = Does not have a seasonal trend; GT = Grand Total

Working on the basis of the data types, the expected frequencies were calculated using an Excel spreadsheet as shown in Table 4. The relationship between the type of business industry and the CSR trend was assessed and the results are shown in Table

4 above. The  $p$ -value for all three years was greater than the 7.5 percent level. This indicates that there was no positive relationship between the type of business industry and the trend of corporate philanthropic activities.

## **7. DISCUSSION**

Upon reading and studying the annual reports of companies, it seemed safe to assume that there were no significant seasonal trends associated with corporate philanthropy activities in Malaysia. Since most companies follow the Bursa Malaysia Sustainability Reporting Guide, a basic pattern was found in the CSR reporting. Most Malaysian companies seemed to favor educational activities with their philanthropic contributions, as most annual reports by various companies reflected contributions or donations in terms of money or in kind toward schools.

Companies in Malaysia were expected to follow a trend in performing their corporate philanthropy activities, as had been suggested in the papers of past investigators. Hence, there was a high anticipation that companies in Malaysia would conduct their corporate philanthropy activities during Malaysia's festival season. However, the results showed that no significant evidence was found to suggest that there are seasonal trends in the corporate philanthropy activities of companies in Malaysia.

In Malaysia, the CSR activity was poor in quality and low in quantity during the year 2000 (Thomson et al, 2004). In 2013, Haji explained that the quality of CSR reporting in Malaysia had increased with the help of the revised Malaysian Code of Corporate Governance, the giving of specific CSR awards, and increasing awareness of CSR issues. The Malaysian code of conduct aims to provide a framework or control mechanism that supports achievement of company goals while preventing unwanted conflict and promoting ethical behaviour, accountability, transparency and sustainability that is important for governance of companies and stewardship of investor capital. CSR Malaysia Publication and the Malaysian Welfare Society for Corporate Sustainability and Responsibility have given awards to a few companies in Malaysia through The Sustainability and CSR Malaysia Awards for their continuing CSR activities. This event is held yearly, and the winner gets a chance to enhance their company's reputation when newspaper outlets or national television mention the company's name; this favourable publicity may also increase the company's competitive standing.

Past investigators had claimed that CSR in Malaysia, including corporate philanthropy, was usually conducted during festival times, especially during the main religious and cultural festivals. The current study had different findings, and found no evidence to suggest seasonal trends in the corporate philanthropy activities in recent years. The Bursa Malaysia, with the help of the Malaysian government, has made it mandatory for every publicly listed company to produce a thorough statement describing its CSR activities. This amendment should have further increased CSR awareness for both the companies and the general public. Possible competitive advantages that resulted from this regulatory change have prodded most companies to change their CSR strategies to reach their communities, even outside of festival seasons. The results may also have been influenced by government effort to promote ethnic harmony, national unity and efficient governance through the 1Malaysia programme.

CSR activities in Malaysia tend to be affected by current issues. For example, the annual reports show that many companies seem to favour educational projects in their corporate philanthropy contributions. But, the survey results suggested that health and social service projects were also important. These responses can be presumably linked with the COVID-19 pandemic that shocked the whole world in recent years. For example, CIMB Group Holdings Berhad provided RM10 million via the CIMB Foundation to support the national healthcare system by upgrading medical facilities, conversion of facilities into COVID-19/ICU wards, and providing food supplies to communities across Malaysia as temporary sustenance. These initiatives were carried out until the pandemic situation improved, and the most affected communities could start rebuilding their livelihoods.

The results also showed that there was no positive relationship between the type of business industry and seasonal corporate philanthropy activities. Publicly listed companies are required to follow Bursa Malaysia guidelines regardless of the nature or type of business. This indicates that CSR activities, including corporate philanthropy activities, were mostly following these guidelines rather than being influenced by the type of business industry.

The Bursa Malaysia has created a framework with guidelines for companies to follow in their practice of CSR (Sarwar et al, 2013). Publicly listed companies are required to follow the guidelines from Bursa Malaysia regardless of their nature or type of business. This indicates that CSR activities, as well as corporate philanthropy activities, are mostly following the guidelines instead of being influenced by the type of business industry.

## 8. CONCLUSIONS OF RESEARCH FINDINGS

Past studies indicated that corporate philanthropy activities are influenced by beliefs and culture. Therefore, the anticipation was that companies would conduct their corporate philanthropy activities during religious or cultural festivals. This research was conducted with the same anticipation, but the results of the study suggest otherwise.

This research found that a few companies conducted corporate philanthropy during the festival season, but most companies conducted their corporate philanthropic activities beyond that time. With the increasing awareness of CSR activities and possible incremental competitive advantage from CSR activities, more and more companies are changing their strategies to reach their communities regardless of their religious or cultural backgrounds.

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