A STUDY BETWEEN CORPORATE SOCIAL RESPONSIBILITY AND COMPANY FINANCIAL PERFORMANCE:
EVIDENCE FROM 24 COMPANIES THAT LISTED IN BURSA MALAYSIA

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SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE

FACULTY OF BUSINESS MANAGEMENT  
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SEGAMAT, JOHOR.

DECEMBER 2016
DECLARATION OF ORIGINAL WORK

ROZITA BINTI GHAFAH 2014910487

Hereby, declare that,

✓ This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.

✓ This project paper is the result of my independent work and investigation, except where otherwise stated.

✓ All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: _______________                  Date: 31 December 2016
LETTER OF SUBMISSION

31st December 2016

Madam Rohanizan Binti Md Lazan
Faculty of Business Management
Universiti Teknologi MARA
85009 SEGAMAT
JOHOR DARUL TAKZIM

Dear Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “A STUDY BETWEEN CORPORATE SOCIAL RESPONSIBILITY AND COMPANY FINANCIAL PERFORMANCE: EVIDENCE FROM 24 COMPANIES THAT LISTED IN BURSA” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,

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Abstract

Nowadays, Corporate Social Responsibility (CSR) is increasing interest of Malaysian companies and become an important area of a modern corporate research theory. Besides, the development of CSR activities all over the world is remarkable even the conduction of this activity incur some cost. Moreover, the correlation between CSR and financial performance showing some conflict results because of little proof support that CSR and Financial performance have positive relation.

This paper seeks to find the relationship between CSR and financial performance. Besides that, this research also reviewed the growth of CSR and literatures which focused on studies that used stakeholder theory by taking 24 Malaysia listed companies from 5 different industries as a sample then used regression analysis to measure the link between their CSR and their financial performance.

A result from this study, except implementing the social responsibilities to shareholders has outstanding optimistic impact on Malaysia listed companies’ financial performance and implementing social responsibilities to customers, creditors, shareholders and suppliers have relatively positive impact. For other stakeholders the implementations of social responsibilities to them have negative impact on Malaysia listed companies’ financial performance.

Key words: CSR, stakeholders, financial performance, Malaysia listed companies