



THE STUDY ON THE EFFECTIVENESS OF
CORPORATE SOCIAL RESPONSIBILITY (CSR)
BY PETRONAS IN PENETRATING
INTERNATIONAL MARKETS

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MELAKA

NOVEMBER 2010

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Submitted in Partial Fulfillment
Of the Requirement for the
Bachelor of Business Administration
(Hons) International Business

FACULTY OF BUSINESS MANAGEMENT
UITM, MELAKA

NOVEMBER 2010

DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION
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“DECLARATION OF ORIGINAL WORK”

I, WAN NURUL NADIAH BT WAN KHAIRULDIN,
(851222-11-5256)

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
- Thus 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: _____

LETTER OF SUBMISSION

11th November 2010

The Head of Program
Bachelor of Business Administration (Hons) International Business
Faculty of Business Management
Universiti Teknologi MARA
Kampus Bandaraya Melaka
MELAKA

Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled "THE STUDY ON THE EFFECTIVENESS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) BY PETRONAS IN PENETRATING INTERNATIONAL MARKETS" to fulfil the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank You,

Yours sincerely

WAN NURUL NADIAH BT WAN KHAIRULDIN
2007135025
Bachelor of Business Administration (Hons) International Business

ABSTRACT

This study is conducted as a partial fulfillment of the coursework of Project Paper (IBM 662). Title of the study is “The Study of the Effectiveness of Corporate Social Responsibility (CSR) by PETRONAS in penetrating International Markets”. The main objective of the study is to determine at what point PETRONAS has effectively promoting its CSR in expanding their investment for oil and gas in the countries with huge natural reserves.

The CSR practices should not be mistaken as acts of charity or philanthropy. On the contrary, effective adoption of CSR has the twin effects of improving both short term and long term corporate performance.

CSR efforts allow companies to distinguish themselves from competitors, and add value to their brand. Better brand value proposition translates to better client and customer satisfaction especially in a world where consumers, employees and investors are becoming more discerning. Brand reputations can be enhanced if the causes that such companies support and represent are ethically or socially laudable. The perception of the brand as socially responsible can often influence customer loyalty, lender and investor scrutiny, and ultimately reduce the cost of capital. From a national stand point, strong brands will also allow Malaysian companies to compete effectively in the global market.

This study was conducted under two types of data collection; Primary Data and Secondary Data. The Primary Data was collected discussion with staffs at Corporate Social Department and also with staffs of Accounts and Finance Department, while the Secondary Data was collected from various sources such as internet, magazines, journals, book and articles. This case study will highlight certain benefit of doing CSR which should be noted by all other companies that intended to invest in other countries for the future benefit rather than used other strategy of attack that countries as done by US to attack Iraq for one of the reason to get the oil and gas reserves.