

UNIVERSITI TEKNOLOGI MARA

**THE IMPACT OF CORPORATE SOCIAL RESPONSIBILITY
(CSR) ACTIVITIES ON BRITISH AMERICAN TOBACCO (BAT)
FROM THE PUBLIC'S PERSPECTIVE**

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THE ABSTRACT

Corporate Social Responsibility (CSR) plays an important role to the public. Organizations should emphasize more on CSR activities not only focusing to achieve higher profit for the organization. In addition, they must also be concerned about other ethical elements such as workplace, marketplace, community and environment in ensuring the sustainability of the organization whilst strengthening the intangible value of the company such as corporate image, customer's purchasing intention, attracting potential employees, loyalty and commitment from customers. This study aims to (i) examine the level of awareness of the public on British American Tobacco (BAT)'s CSR activities from demographic perspective; (ii) determine the relationship between community activities and impact of CSR on BAT; (iii) determine the relationship between environment activities and impact of CSR on BAT; (iv) determine the relationship between workplace activities and impact of CSR on BAT; (v) determine the relationship between marketplace activities and impact of CSR on BAT. The scope of this study covers the public in Shah Alam, Selangor. This study employs a cross sectional survey to investigate the impact of CSR activities on BAT from the public's perspective. This study uses several statistical techniques such as the descriptive statistics, correlations and regression. The results of the study show that there are significant relationship between community and workplace activities and the impact of CSR activities, negative relationship between marketplace and the impact of CSR activities and no relationship between environment activities and the impact of CSR.

Key Words: Stakeholder theory, *Corporate Social Responsibility (CSR)*, *CSR activity*, *Impact of CSR activity*, *public*.

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Abstract

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CHAPTER 1

INTRODUCTION

1.0 Introduction

According to Holme and Watts (2000), Corporate Social Responsibility is a continuing commitment by business [es] to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society. The emergence of Corporate Social Responsibility (CSR) since the last three decades has witnessed major improvement for business corporations and financial institutions in Malaysia. Pursuant to Chapter 9, Appendix 9C (Part A, Paragraph 29) of the Listing Requirements of Bursa Malaysia Securities Berhad, all public listed companies are required to disclose their CSR activities and programs in their annual report (Bursa Malaysia, 2012).

To date, the concept of CSR has grown to be an insensible practice not entirely under the regulations of any official laws or legal bodies but more as a custom that an organization should practice and obey (Rahim, Jalaludin, & Tajuddin, 2011). This will lead to excellent result and offer clear business benefits as well as to maintain the