

## **PADIBERAS NASIONAL BERHAD (BERNAS): A Symbol of Corporate Social Responsibility**

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### **ABSTRACT**

*This study examines on the importance of implementing corporate social responsibility in an organization. Corporate social responsibility refers to an obligation of an organization's management towards the welfare and interests of the society, which provides the environment and resources to survive and grow, and which is affected by the organization's actions and policies. In other words, corporate social responsibility is a concept whereby companies decide voluntarily to contribute to create a better society.*

**Keywords:** BERNAS, Corporate social responsibility, Welfare and Interest of the society

### **INTRODUCTION**

By looking through the examples of Corporate Social Responsibility (CSR) activities or programs that had been adopted by a company, we can get the real picture on what actually CSR is all about. This is because CSR is now becoming an increasingly important activity to businesses nationally and internationally. In this globalization era, many organizations had gradually recognized the benefits of providing CSR program in various ways. One of the examples of an organization that highlight on importance of corporate social responsibility is Bernas Company. In BERNAS, the

importance of cultivating good corporate social responsibility practices had never been disregarded. Despite the challenging environment recently, BERNAS continued to expand its corporate social responsibility programs to ensure maximum benefits reach to all communities. BERNAS always seeks to contribute positively to each community in which it operates. The community's involvement is not just about providing funds and putting their name to something but it is about getting fully involved.

## **METHODOLOGY AND DATA COLLECTION**

An interview was conducted by us on 18<sup>th</sup> February 2010 with En Yahya Bin Salleh, the manager from human capital unit of Bernas Northern Region to get all the information needed for this research. This method is cost effective, and also very helpful in conducting this research. The data instrument used is the annual report of BERNAS of the latest year which 2008 from BERNAS's official website. Another data instrument that has been used is questionnaire. The questions that had been asked by us is generally about the management and administration of BERNAS, but we are more emphasize to CSR in the company especially regarding to the CSR programs or activities that have been conducted.

### **Implementation of the Corporate Social Responsibility in BERNAS**

From our research, in 2008 itself, BERNAS did a lot of programs which focused on Corporate Social Responsibility among their staff and community. Firstly, BERNAS tried to balance aspirations with sustainability. While ensuring shareholders expectations of profitability, BERNAS has never undermined the importance of cultivating good corporate social responsibility practices. Despite the difficult operating environment in 2008, BERNAS continued to expand its corporate social responsibility plan to ensure maximum and better reach to all communities. Secondly, BERNAS also implements business ethics through the lenses of their own core values. BERNAS promotes healthy business ethics via the core values of passionate and responsive, integrity, trust and respect, value creation, continuous development, care and concern for the environment, developing entrepreneurial mindsets and creating a caring organization. These core values enhance the group, staff actions and underline every effort made to the Group. Besides that, BERNAS also enhance employee relations and the development of staff through the many courses, workshops and

training seminars to enhance soft skill and new skills development of its staff. There had been more than RM160000 that was allocated and spent to promote job training, orientation and skill development of its staff nationwide. To assist children of its staff to excel in public examinations, BERNAS conducted motivational and tuition courses for 676 children of its staff sitting for UPSR, PMR and SPM examinations (nationwide). To further motivate the students of the staff to excel, prizes were also given to students of staff who scored straight A's in these public examinations. The Important (CSR) done by BERNAS is to reach out to the community. Recognizing the fact that their employees are their best goodwill ambassadors, in August 2008, BERNAS established its own employee volunteer programs which was participated by 70 employees nationwide. The programs kicked off with the volunteers spending 90 hours volunteering at three private orphanages and Tahfiz centers in Kota Bharu, Kelantan, Alor Star, Kedah and Sungai Besar, Selangor. The activities organized include building improvements and repairs, "gotong-royong", taking the orphans out shopping for clothes and spending quality time with them by playing the roles of "mom" and "dad" for a day in each centre. In addition, the volunteers also brought along physical donations to each centre such as rice, food items and household products. They also sent their volunteers to provide rice supplies and relief efforts to the flood victims in Kedah, Perak, Pulau Pinang, Kelantan, Sabah and Sarawak. A total of 2,000 MT of rice were promptly sent to the unfortunate victims in these areas. BERNAS also contributed rice provisions to orphanages, senior citizen homes, single mother associations and other charitable organizations. A total of 8,000 MT of rice were contributed to these organizations in 2008. Through the Umrah programs, 100 farmers were sent to perform the Umrah in 2008 as the appreciation of their dedication and loyalty to BERNAS. BERNAS continued to support the popular fishing competition or called as GP Joran Competition by sponsoring rice for the competition winners. BERNAS has been a sponsor for GP Joran since 2000 and will continue to promote this popular recreation activity in Malaysia. Lastly, through promoting Healthy Living, BERNAS in its research and development collaboration with University Putra Malaysia (UPM) will continue to promote rice as a healthy staple diet through continuous development and introduction of rice varieties of the highest nutrition and value. The "Pilihan Bernas" brand has proven to be popular and has helped consumers identify good rice brands from the variety of rice available in the market. Beginning April 2009, BERNAS introduced the "Save More Community Store" which is a retail initiative to provide consumers with a seamless supply of affordable, quality rice at all times.

This new initiative exemplifies BERNAS commitment to play their part in stabilizing rice prices and supply while maintaining close ties with the community. To date, four outlets have been opened in Setia Alam, Bukit Tinggi, Subang Perdana and Bukit Jelutong with more stores to be opened in a year's time.

## CONCLUSION

As conclusion, corporate Social Responsibility that has been conducted by this company should be a good model and example to other companies that neglect this responsibility. CSR programs that are carried out by BERNAS has helped our needy society in undergoing better life besides strengthening relationship between staff in BERNAS and community. Therefore, with this awareness, it has eventually created unity among people in Malaysia to be aware and help each other. This can be clearly seen through the activities done by BERNAS to help orphanages, support farmers go to Umrah and give scholarship education. Thus, through all the plans and programs that had been accomplished by BERNAS it clearly shows that BERNAS is a company that does not only look for profits, but is also concern about the welfare of society at large.

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