

Corporate Social Responsibility (CSR) of Malaysian Listed Property Companies

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Dissertation in Part-Fulfillment of Master in Property Investment

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ABSTRACT

This exploratory research aims to investigate the level of corporate social responsibility (CSR) disclosure among Malaysian Listed Property Companies. In addition, the relationship between the CSR disclosure and several corporate attributes is also examined. To measure the extent of disclosure made by companies, a CSR Disclosure Index was developed specifically for property companies. Content analysis had been used to analyse the activities carried out by companies using annual reports and company websites. Twenty property companies listed on the Main Board of Bursa Malaysia was selected randomly. This study found that very few property companies in Malaysia are making efforts to carry out CSR practices in their businesses. The highest CSR disclosure is community involvement followed by environment, marketplace and workplace. It was also found that significant number of the lowest ranking companies suffered losses during the period under study and significant proportions of the top ranking companies were big size corporations and paid higher audit fees.

CHAPTER ONE

INTRODUCTION

1.1 Introduction

The concept of corporate social responsibility (CSR) is receiving spectacular attention in recent years both from the business practitioners as well as academicians in different parts of the world, and there is no exception from the Asian countries to this phenomenon (Potluri *et al.*, 2010). The term of CSR had become a significance issue in our country, Malaysia in business context. Managers in today's business world increasingly need to be aware of two separate but interrelated concerns that are business ethics and social responsibility.

The well-known 2005 survey of corporate social responsibility (CSR) reporting in the Asia-Pacific region by Chapple and Moon (2005) shows that only 30% come from companies in Malaysia represent themselves of having CSR practice. Therefore, this study is carried out to examine the level of practice and disclosure of CSR focusing on Malaysian Listed Property Companies. Some corporate attributes are also included to examine their relationships with CSR disclosure. Property companies are selected as a sample for CSR practice due to the existence of 'quasi-normality' in corruption and dishonest practices in construction industry for many years (Murray and Dainty, 2009). Involvement of property companies in construction industry that engaged in the initial stage of development project play important role to become good corporate citizens. The number of listed property companies listed on the Property Sector of Bursa Malaysia has doubled since the property market recovery in year 1988 to 1989 (Ting, 2002).